United States Department of Agriculture
Food and Nutrition Service

Letter to State Commissioners on Implementing Welfare Reform in the Food Stamp Program

Table of welfare reform provisions and implementation details included.

August 26, 1996
Commissioners / All States

This letter describes the new statutory requirements for State agency implementation of the Food Stamp Program (FSP) provisions of Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, signed by the President on August 22, 1996. We are also providing information regarding proposed and interim rules the Food and Consumer Service (FCS) will publish and guidance relating to the Simplified Program option, FCS waiver authority, and quality control. Additional information regarding implementation of the provisions affecting noncitizens will be provided separately.

Provisions and Implementation Dates

The enclosed charts indicate the method by which FCS is implementing each provision of the legislation and the timeframe for State agency implementation. Within each chart, provisions are grouped by program area, such as certification, disqualification, claims, work requirements, and State flexibility. As indicated in the FCS implementation column, we plan to publish an interim regulation to implement the provisions of the law concerning changes in allotments, deductions, household composition, and the fair market value of vehicles. These provisions require no interpretation or discretion. The rule will, however, have a brief comment period. Proposed rules will be published addressing the other provisions.

Part A of the enclosure lists the provisions that are effective on the date of enactment. We understand the burden that immediate implementation places on State agencies; however, in the absence of specific implementation language in the legislation for these provisions, State agencies are required by Federal law to implement these provisions as of the date of enactment. Specific implementation procedures are provided on the enclosure.

Part B lists provisions for which Congress provided specific implementation requirements. These provisions have a variety of required implementation dates. Changes in allotments and deductions must be implemented as mass changes.

Part C lists options available to State agencies. State agencies need to submit amendments to the State Plan indicating the options that have been selected. One of the options addresses the homeless shelter allowance. Prior to the PRWORA, section 11(e)(3) of the Food Stamp Act required State agencies to establish standard estimates of the shelter expenses of homeless households. This estimate was used determining the household's excess shelter expense unless the household verified higher expenses. Section 809 of the PRWORA changed the required standard estimate to an optional homeless shelter allowance and added it to section 5(e)(5) of the Food Stamp Act as a separate deduction between the child support and medical deductions. Although the legislative history indicates that the allowance was to be used in calculating an excess shelter expense deduction, the statutory language does not reflect that intent. Therefore, State agencies must discontinue use of the homeless expense estimate and may opt to use a homeless expense deduction as provided by the PRWORA.

Part D lists provisions which remove current requirements and have no mandatory implementation action. State agencies will be able to modify current procedures in accordance with their own schedules.

Simplified Program

The legislation provides States agencies the option of operating a Simplified Food Stamp Program (SFSP) in a political subdivision of a State or Statewide. The SFSP is restricted to public assistance households who receive cash assistance under the Temporary Assistance to Needy Families (TANF) programs operated under Title IV-A of the Social Security Act. However, States may request inclusion of mixed nonpublic assistance (NPA) and TANF households. The Simplified Program allows a State to substitute many TANF rules for food stamp rules in an effort to streamline administration. NPA households cannot be included in the SFSP.

The operation of any SFSP must be approved by USDA. Additionally, SFSP cannot increase Federal costs for any fiscal year and must comply with certain statutory FSP requirements. If USDA withdraws approval of a State's SFSP due to noncompliance, the State is ineligible to operate a SFSP in the
under SFSP. The specifics of the requirements and options wil

FCS Waiver Authority

The legislation amends Section 17(b) of the Food Stamp Act to significantly expand USDA's waiver authority to conduct pilot or experimental projects that improve program administration, increase self-sufficiency, allow greater conformity with the rules of other programs, and that are consistent with the goal of providing food assistance to raise levels of nutrition among low-income individuals.

Projects have restrictions relative to the percentage of benefit reduction and affected households and duration. In addition, USDA is prohibited from approving projects that include certain components. As with the SFSP, the specifics of the statutory parameters will be provided in subsequent guidance.

Quality Control

Provisions effective upon enactment:

Changes affecting currently participating households are to be implemented upon recertification, at the household's request, or when it is necessary to implement other changes affecting the household. The following procedures will be used for all cases with review dates after enactment of the law.

Beginning 30 days after enactment, there will be a 120-day variance exclusion period for any States that have implemented the provisions of the PRWORA. During this period, reviewers will exclude all variances that resulted from any misapplication of the new provisions. If a State has not implemented the required changes within 30 days after enactment for the required households, reviews will be conducted against the new provisions and errors will be cited as appropriate. If a State implements later than 30 days following enactment, but before the 120 days expire, the subject variances will be excluded for the number of days remaining in the 120-day period.

Reviews will be conducted against States' preimplementation policies (1) during the 30 days following enactment for all cases that have not yet been converted to the new provisions and (2) after the 30 days for all cases that were not required to have been converted to the new provisions. The 120-day variance exclusion period will be administered in accordance with 7 CFR 275.12(d)(2)(vii) as modified by the Mickey Leland Childhood Hunger Relief Act (Public Law 103-66).

Provisions effective October 1, 1996 and January 1, 1997:

Mass change provisions - Quality control reviews will be conducted based upon the new provisions for all cases with review dates on or after the effective date of the provisions. The 120-day variance exclusion period will not apply to these mass changes.

Fair Market Value provision - Quality control reviews will be conducted based upon the new provisions for all cases certified, recertified or otherwise requiring conversion after October 1, 1996. The 120-day variance exclusion period will begin October 1, 1996 for this provision for all States that have implemented.

Work requirement provision of Section 824:

States must implement this provision by notifying applicants and recipients of the application of the work requirement no later than November 22, 1996. This provision is not effective until the earlier of: (1) the date the State notifies the applicable households or

(2) three months following enactment. Three months following the effective date, individuals that do not meet the requirements of this provision will become ineligible. Therefore, for this provision, the 120-day variance exclusion period will begin three months following the State's effective date.

We hope the enclosed information will be helpful to you in implementing the provisions of the law. Please contact your Regional Office if you have any questions.

/s/

Yvette S. Jackson
Deputy Administrator
Food Stamp Program

Enclosures

Part A - Food Stamp Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

Required to be Implemented Upon Enactment

Section	**Description:** *Certification Provisions*	**Implementation Method**

		FCS	State agency
404	Requires notification to the public and to recipients of the alien eligibility requirements of the legislation.	Impl. Memo	Notification to recipients and general public
421	The full amount of income and resources of an alien's sponsor and the sponsor's spouse are counted until the alien becomes a citizen or has worked 40 qualifying quarters of Social Security coverage. Beginning January 1, 1997, a quarter in which the alien received certain Federal means-tested assistance is not counted as a qualifying quarter. The deemed income and resources must be reviewed each time an alien reapplies.	Impl. Memo Proposed Rule	On date of enactment for new applicants; at next recertification for recipients.
801	Limits certification periods to 12 months, except that the certification period may be up to 24 months if all adult household members are elderly or disabled. States must have at least one contact with each certified household every 12 months.		On date of enactment for new applicants; at next recertification or when case is next reviewed for recipients.
803	Deletes a current exemption so that children under 22 years old who live with their parents and their own children or spouses must be included in the same household with their parents.	Impl. Memo Interim Rule	
805	A person whose nighttime residence is a temporary accommodation in the residence of another person may be considered homeless for no more than 90 days.	Impl. Memo Interim Rule	On date of enactment for new applicants; at next recertification or when case is next reviewed for recipients.
807	Limits exclusion to the earnings of elementary and secondary school students who are 17 or younger.	Impl. Memo Proposed Rule	On date of enactment for new applicants; at next recertification or when case is next reviewed for recipients.
808	Limits energy assistance exclusion to (1) Federal energy assistance, except that provided under Title IV-A of the Social Security Act (welfare block grant), and (2) Federal or State one-time assistance for weatherization or emergency repair or replacement of heating or cooling devices.Retains the provision in the Low-Income Home Energy Assistance Act (LIHEAA) that requires that all expenses met with LIHEAA payments be regarded as out-of-pocket expenses qualifying for SUAs.Excludes from income State or local general assistance which (under State law) cannot be provided in cash directly to households.An expense paid on behalf of a household under State law to provide energy assistance is considered an out-of-pocket expense incurred and paid by the household.	Impl. Memo Proposed Rule	On date of enactment for new applicants; at next recertification or when case is next reviewed for recipients.
809	The earned income deduction is not allowed when determining an overissuance due to the failure of a household to report earned income in a timely manner.		
809	The earned income deduction is not allowed on any portion of income earned under a work supplementation or support program that is attributable to public assistance.		
809	In States without mandatory standard utility allowances (SUA), households are allowed to switch between actual expenses and the SUA only at recertification.	Impl. Memo Proposed Rule	On date of enactment.
811	Removes the income exclusion for vendor payments for transitional housing for the homeless.	Impl. Memo Proposed Rule	On date of enactment for new applicants; at next recertification or when case is next reviewed for recipients.
827	Requires proration of benefits after any break in certification, except for migrant and seasonal farmworker households.		On date of enactment for applicants at initial application and recertification.
838	Changes expedited service timeframe to a maximum of 7 calendar days and eliminates the homeless category from those entitled to expedited service.	Impl. Memo Interim Rule	On date of enactment for new applicants.
847	The Federal Government will reimburse a State agency 50 percent of State agency costs for program informational activities, but not including recruitment activities.	Impl. Memo Proposed Rule	On date of enactment.

Required to be Implemented Upon Enactment

Section	Description: *Program Violation Disqualifications and Claims*	Implementation Method FCS	Implementation Method State agency
813	Increases the disqualification penalty for a first intentional violation to one year. Increase the penalty for a second intentional violation (and the first involving a controlled substance) to two years.	Impl. MemoProposed Rule	Upon enactment, following notification to applicants and recipients of the new or increased penalties on or with the application form, by mass mailings, or similar methods.
814	An individual shall be permanently disqualified if he/she is convicted of trafficking food stamp benefits of $500 or more.		
820	An individual shall be ineligible to participate for 10 years if he/she is found to have made a fraudulent statement or representation with respect to identity and residence in order to receive multiple benefits simultaneously.		
821	Makes fleeing felons and probation/parole violators ineligible for the program.		
829, 911	Prohibits an increase in food stamp benefits when a household's income is reduced because of a penalty imposed under a Federal, State, or local means-tested public assistance program for failure to perform a required action. Provides a State option to reduce allotments 25% or less. If the allotment is reduced for failure to perform an action required under a Title IV-A program, the State may use the rules of that program to reduce the food stamp allotment.		
837	Requires State agencies to make available, upon request, to any Federal, State, or local law enforcement officer the address, social security number, and (if available) photograph of a food stamp recipient if the officer furnishes the recipient's name and notifies the agency that the individual is fleeing to avoid prosecution, custody, or confinement for a felony, is violating a condition of parole or probation, or has information necessary for the officer to conduct an official duty related to a felony/parole violation.		Date of enactment.
844	(1) Replaces existing overissuance collection rules with provisions requiring States to collect any overissuance by reducing future benefits, withholding unemployment compensation, recovering from Federal pay or income tax refunds, or any other means -- unless the State demonstrates that all of the means are not cost effective. (2) Limits benefit reductions (absent intentional program violation) to the greater of 10 percent of the monthly allotment or $10 a month. (3) Provides that States must collect overissued benefits in accordance with State-established requirements for notice, electing a means of payment, and setting a schedule for payment. (4) Permits States to retain 35 percent of intentional Program violation collections and 20 percent of inadvertent household error collections. The actual retention procedures will be forwarded under separate cover.	Impl. Memo Proposed Rule	Date of enactment.

Part A - Food Stamp Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

Required to be Implemented Upon Enactment

Section	Description: *Work Requirements*	**Implementation Method** FCS	**Implementation Method** State agency
	Revises current requirements to make ineligible individuals who are physically and mentally fit and between the ages of 16 and 60 if they: (1) refuse without good cause to provide sufficient information to allow a determination of their employment status or job availability; (2) voluntarily and without good cause quit a job; or (3) voluntarily and without good cause reduce their work effort (and, after the reduction, are working less than 30 hours a week).Provides a State option to disqualify the household if the head of household is disqualified under a work rule for a period determined by the State that cannot exceed the lesser of the duration of the individual's ineligibility or 180 days. This option is also listed on Attachment C.Establishes mandatory minimum disqualification periods for individuals who fail to comply with work or workfare requirements: • First violation - The later of (1) the date they comply with work rules; (2) 1 month; or (3) a period determined by the State not to exceed 3		Upon enactment, following notification to applicants and

815	months. • Second violation - The later of (1) the date they comply with work rules; (2) 3 months; or (3) a period determined by the State not to exceed 6 months. • Third or subsequent violations - The later of (1) the date they comply with work rules; (2) 6 months; or (3) a date determined by the State; or (4) at State option, permanently. Requires USDA to determine the meaning of good cause, voluntarily quitting, and reducing work effort.Requires States to determine (1) meaning of other terms; (2) procedures for establishing compliance; and (3) whether individuals are complying. None of such determinations can be less restrictive than comparable determinations under a program funded by Title IV-A of the Social Security Act.	Impl. Memo Proposed Rule	recipients of the new requirements or increased penalties on or with the application form, by mass mailings, or similar methods.

Part B - Food Stamp Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

Special Implementation Dates

Section	Description: *Alien Eligibility*	Implementation Method	
		FCS	State agency
402	Only the following noncitizens are eligible: <u>For 5 years after they obtain the designated alien status</u>: Refugees admitted under section 207 of the Immigration and Nationality Act (INA), Asylees admitted under section 208 of the INA, and Aliens whose deportation has been withheld under section 243(h) of the INA. <u>For an unlimited period</u>: • 1. An alien who is lawfully residing in any State and is: (a) a veteran who was honorably discharged for reasons other than alienage, (b) on active duty (other than active duty for training), and (c) the spouse or unmarried dependent child of a veteran or individual on active duty. • An alien who is lawfully admitted to the United State for permanent residence who has worked 40 qualifying quarters of coverage under Title II of the Social Security Act or can be credited with such qualifying quarters. Under section 435 of the law, a qualifying quarter includes one worked by a parent of an alien while the alien was under 18 and a quarter worked by a spouse during their marriage if the alien remains married to the spouse or the spouse is deceased. Beginning January 1, 1997, any quarter in which the alien received any Federal means-tested public benefit (as defined in sections 401 and 403 of the law) is not counted as a qualifying quarter.	Implementing Memo Proposed Rule	On date of enactment for new applicants; at recertification, but no later than one year from date of enactment, for recipients.

Part B - Food Stamp Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

Special Implementation Dates

Section	Description: *Allotment, Shelter Limit, and Vehicle Adjustments*	Implementation Method	
		FCS	State agency
804	Annual adjustments to the maximum allotment are based on 100% of the Thrifty Food Plan. Allotments cannot fall below the FY 1996 level.	Implementing MemoInterim Rule	10/1/96 through mass change in accordance with 7

			CFR 273.12(e)(1)
809	Sets the excess shelter caps for the 48 contiguous States and D.C., Alaska, Hawaii, Guam, and the Virgin Islands, respectively as follows:Enactment - 12/31/96: $247, $429, $353, $300, $18201/01/97 - 09/30/98: $250, $434, $357, $304, $18410/01/98 - 09/30/00: $275, $478, $393, $334, $20310/10/00 - : $300, $521, $429, $364, $221		No change until 1/1/97; mass change on 1/1/97.
810	Raises fair market value of vehicles used in resource test to $4,650 and eliminates future adjustments.		10/1/96 for applicants and at recertification for recipients.

Part B - Food Stamp Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

Special Implementation Dates

Section	**Description:** *Drug Disqualification*	**Implementation Method**	
		FCS	**State agency**
115	Makes ineligible individuals convicted of Federal or State felonies for possession, use, or distribution of illegal drugs after the date of enactment. Disqualified individuals are not considered household members but income and resources are attributed to their households. Requires applicants to state, in writing, whether any household member has been convicted of drug felonies. Permits States to opt out of the provision by enacting laws after the date of enactment exempting individuals or limiting the disqualification period.	Impl. Memo Proposed Rule	Required to be implemented July 1, 1997 (unless State opts out).

Part B - Food Stamp Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

Special Implementation Dates

Section	Description: *Work Requirement for Able-Bodied Adults Without Dependents (ABAWDS)*	Implementation Method	
		FCS	State agency
824	Unless exempt, individuals are ineligible to continue to receive food stamps if, during the preceding 36-month period they received food stamps for at least 3 months (consecutive or otherwise) while they did not either: work at least 20 hours per week (averaged monthly); for 20 hours or more per week, participate in and comply with a Job Training and Partnership Act program, Trade Adjustment Assistance Act program, or Employment and Training program (other than a job search or job search training program); or participate in and comply with a workfare program (under Section 20 of the Food Stamp Act or a comparable State or local program). ***During the time that an individual is exempt*** from this work requirement because of a personal exception (e.g., is pregnant), the waiver provision (e.g., is living in an area that, after concurrence by the Secretary, the State has determined to have an unemployment rate of over 10 percent or insufficient jobs), or because of the subsequent eligibility provision of subsection (5) of this section, any period of participation in the food stamp program does ***not count*** toward the individual's 3-month participation limit. An individual is ***exempt*** from this requirement if the individual is: (1) under 18 or over 50 years of age, (2) medically certified as physically or mentally unfit for employment, (3) a parent or other member of a household with responsibility for a dependent child, (4) pregnant, or (5) otherwise exempt from work requirements under subsection (d)(2) of the Food Stamp Act.On the request of a State agency, the Secretary may waive the work requirement for any group of individuals if the Secretary determines that the area in which the individuals reside (1) has an unemployment rate of over 10 percent, or (2) does not have a sufficient number of jobs to provide employment for the individuals.Individuals denied eligibility under the new work rule can regain eligibility if during a 30-day period the individual: works 80 hours or more; participates in and complies with a Job Training and Partnership Act program, Trade Adjustment Assistance Act program, or Employment and Training program (other than a job search or job search training program) for 80 hours or more; or participates in and complies with a workfare program (under Section 20 of the Food Stamp Act or a comparable State or local program) for 80 hours or more. If individuals subsequently lose this employment or cease participation in work or workfare programs, participation can continue for up to 3 consecutive months (beginning from the date the State is notified that work has ended), after which the only cure during the 36-month period will be to comply with the work requirement or to become exempt under other provisions of the requirement. Households adversely affected shall be	Impl. Memo Guidance on submitting waivers for groups of individuals to be sent out within 30 days. Proposed Rule	States must implement this provision by notifying applicants and recipients of the application of the work requirement no later than November 22, 1996. The 36-month period begins the ***earlier of:*** 3 months after enactment, or the date the State notifies recipients or applicants of the application of this provision. Case reviews will not be required; recipients will become ineligible at recertification or when the State becomes aware that the individual has participated 3 months without either complying with the work requirement or falling within one

	notified in accordance with 7 CFR 273.13.		of the exceptions.

Part C - Food Stamp Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

State Agency Options

Section	Description: *Miscellaneous Certification Provisions*	Implementation Method	
		FCS	State agency
809	Permits States to make use of standard utility allowances mandatory for all households if (1) the State has developed separate standards for households with and without heating or cooling costs and (2) USDA finds that the standards will not result in increased Federal costs.	Impl. Memo Proposed Rule	State Plan amendment
809	Permits State agencies to develop a standard homeless shelter allowance not to 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. The State agency may make a household with extremely low shelter costs ineligible for the allowance. This allowance is to be deducted from net income after the child support deduction and before the medical deduction.		
812	Requires USDA to establish (within 1 year after enactment) a procedure which will not increase Federal costs whereby States can submit a method to be approved by USDA for determining reasonable estimates, instead of the actual costs, of producing self-employment income.		
818	The State agency may, at its option, count all of the income of an alien ineligible under the Food Stamp Act in determining the eligibility and benefits of the remaining members. The PRWORA does not address the treatment of income and resources of the newly ineligible aliens. This issue will be addressed in separate correspondence.		
828	Makes the issuing of combined allotments (prorated first month's allotment plus full second month's allotment) to expedited service applicants a State option.		
830	Permits States to divide a month's food stamp benefits between a drug or alcoholic treatment center and the individual, if the individual leaves the center.Permits States to require the resident to designate the treatment center as his or her authorized representative.		
839	The State agency may, at its option, permit households to withdraw fair hearing requests orally as well as in writing. If it is an oral request, the State agency must provide written notice confirming the request and provide the household with another opportunity to request a fair hearing.		
840	Makes use of the income and eligibility verification system (IEVS) and the alien status verification system (SAVE) optional.		

Part C - Food Stamp Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

State Agency Options

Section	Description: *Optional Disqualification Provisions*	Implementation Method	
		FCS	State agency
819	Allows States the option to extend disqualifications for failure to perform actions required by other means-tested programs to the Food Stamp Program.	Impl. Memo Proposed Rule	State Plan amendment
822	Permits States to require cooperation with the Child Support Enforcement (CSE) Program as a condition of eligibility for the FSP for applicants or participants who live with and exercise parental control over children under 18 years of age who have absent parents that are not providing appropriate support. Cooperation entails establishing paternity of the children and obtaining support for themselves or the child.Permits States to establish payment of legally-obligated child support as a condition of food stamp eligibility for non-custodial parents.Food stamp State agencies would have to develop safeguards to restrict the use of information obtained from Title IV-D agencies.Neither custodial nor non-custodial parents could be charged a fee or other cost for CSE services.The food stamp State agency would determine whether custodial parents have good cause for not cooperating and develop procedures for determining refusal to cooperate by non-custodial parents using guidelines developed by USDA in consultation with DHHS.		
823	Permits States to disqualify individuals who are in arrears in court-ordered child support unless a court is allowing delayed payments or payments are being made in accordance with a court- or CSE-approved payment plan.		

Part C - Food Stamp Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

State Agency Options

Section	Description: *Optional Work Requirements*	Implementation Method	
		FCS	State agency
815	Provides a State option to disqualify the household if the head of household is disqualified under a work rule for a period determined by the State that cannot exceed the lesser of the duration of the individual's ineligibility or 180 days.	Impl. Memo Proposed Rule	State Plan amendment.
816	Permits States to lower the age at which a child exempts a parent/caretaker from food stamp work rules to between 1 and 6 years of age. This provision only applies to States (Wisconsin, Michigan, Montana and Kansas) that had waiver requests denied as of August 1, 1996, and may be implemented by these States for a period of no more than 3 years.		
849	New provision of the Food Stamp Act (section 16(b)) that provides States the option to use the cash value of a household's food stamp allotment to subsidize a job for a household member participating in a work supplementation or support program—under which public assistance is provided to an employer to be used for hiring and employing a public assistance recipient. States must describe in their State plans how recipients in the program will, within a specified period of time, be moved to employment that is not supplemented or supported.		
852	States are eligible to adopt an Employment Initiatives Program (EIP) if at least 50% of the food stamp caseload in the summer of 1993 also received AFDC. Under EIP, States may provide households the option to receive food stamp benefits in cash if an adult member (1) has worked in unsubsidized employment for at least the last 90 days, has earned at least $350 per month for at least the last 90 days, and is continuing to do so; and (2) is eligible for Title IV-A benefits or becomes ineligible because of earnings. Requires States to provide USDA a written evaluation (content to be determined by States with the concurrence of USDA) of the impact of cash assistance after operating 2 years under this provision. Requires States to increase cash benefits, with State funds, to compensate households for State or local sales taxes on food purchases.		

Part D - Food Stamp Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

Requiring No Immediate Action by State Agencies

Section	**Description** *FCS Action*	**FCS Implementa Method**
109	Eliminates the option in Section 5(d)(13) of the act and 7 CFR 273.9(c)(12) for State agencies to exclude from unearned income up to $50 monthly of Title IV-D child support payments if they pay FCS for the cost of the additional benefits. (No State agency currently uses this option.)	Interim Rule
109	Changes references to "AFDC" and a "plan" to a program funded under Title IV-A. (States will have to change their manuals, but no action required by caseworkers).	Implementing M Interim Rule
809	Freezes the standard deduction amounts at their current level--no future adjustments.	
826	Eliminates the adjustment factor for the $10 minimum allotment for 1- and 2-person households.	
851	Adds section 17(b)(1)(D) to the Food Stamp Act. Within 60 days after receiving a waiver request, USDA must approve or deny the request, or seek further clarification from the submitting State. If USDA fails to act within 60 days, the waiver request will be considered approved, unless approval is specifically prohibited by the Food Stamp Act. If USDA denies a waiver request, it must provide a copy of the request and a description of the reasons for its denial to the House Agriculture Committee and to the Senate Agriculture, Nutrition, and Forestry Committee.	Implementing M Proposed Rule

Part D - Food Stamp Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

Requiring No Immediate Action by State Agencies

	Description: *State Flexibility* (States may continue current practices or develop new	FCS

Section	procedures)	Implementation Method
817	Streamlines administrative requirements for States: • Requires E&T components to be delivered through a statewide workforce development system, if available. States can adopt provision which: • Expands the existing State option to apply all work requirements to applicants (currently limited to job search). • Removes specific rules governing job search components (i.e., tying them to those under title IVA). • Removes provisions for E&T work experience and/or training components that require they serve a useful public purpose and use (to the extent possible) recipients' prior training and experience. • Removes specific Federal rules as to States' authority to exempt categories of individuals and individuals from E&T requirements. • Removes the requirement to serve volunteers in E&T programs. • Removes the requirement for conciliation procedures for resolution of disputes involving participation in an E&T program. • Removes the requirement that reimbursements for dependent care are at least as high as the dependent care deduction cap. • Removes requirements for E&T performance standards. Allocates to States to carry out E&T programs: FY 97 $79 millionFY 98 $81 millionFY 99 $84 millionFY 00 $86 millionFY 01 $88 millionFY 02 $90 million Allocations will be based on a reasonable formula (as determined by USDA) that gives consideration to the population in each State subject to work requirements.Minimum State allocation: $50,000.State to promptly notify USDA if it determines it will not expend all of its allocated E&T funds.	Implementing Memo Proposed Rule
835	Replaces many current client service requirements with broad requirements that States establish procedures that best serve households in the State including households with special needs (elderly, disabled, rural poor, homeless, households on reservations, and people who do not speak or read English); provide timely, accurate, and fair customer service to all applicants and recipients; and develop applications containing necessary information.Permits States to establish operating procedures that vary for local food stamp offices. Makes clear that nothing in the Food Stamp Act prohibits electronic storage of application and other information, including signatures.Deletes requirements for a uniform national application, placing information about rights and responsibilities on the application, waiving office interviews for elderly or disabled applicants and households with transportation or other difficulties, and providing telephone or mail information to households that have transportation difficulties or similar hardships.Deletes requirements that States (1) inform applicants how to cooperate in completing the application process including obtaining verification, (2) assist applicants in obtaining verification and completing applications, (3) use current verified information already available, and (4) not deny applications for failure of non-household members to cooperate. Deletes requirements that States provide a description of reporting requirements at certification and recertification; and provide a toll-free, local, or collect telephone number that households may use to reach the State.Deletes requirements for displaying posters and providing materials in food stamp and PA offices about nutrition and eligibility for other USDA nutrition programs, using mail issuance in rural areas or other areas where low-income	Implementing Memo Proposed Rule

	households face transportation problems, conducting a single interview when households apply for both food stamps and AFDC, combining food stamp applications with PA and Statewide general assistance (GA) applications, providing food stamp applications and information at local GA offices if the same agency administers GA and PA, and using verified information available in PA/GA files.	
836	Deletes all Federal requirements for State employee training.	
848	The State agency is no longer required to establish standards for the effective and efficient operation of the program, including periodic review of hours that food stamp offices are open. The State agency is no longer required to submit reports specifying administrative actions to meet the standards.	Implementing Memo Proposed Rule