

April 11, 2002

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

**MOTION ON FOOD STAMP REAUTHORIZATION PROVISIONS IN H.R. 2646/S. 1731,
THE FARM BILL (ITEM NO. 35, AGENDA OF APRIL 16, 2002)**

Item No. 35 on the April 16, 2002 Agenda is a motion by Supervisors Burke and Yaroslavsky recommending that the Board send five-signature letters to the County's Congressional Delegation supporting the following provisions in H.R. 2646/S. 1731, the Farm Bill, relating to reauthorization of the Food Stamp Program:

- Quality control improvements with changes to be made effective for the fiscal year 2001 error rates without an additional penalty for "serious negligence";
- Simplification and enhancement measures that will minimize administrative errors and allow for six month transitional benefit options to further promote work and a greater degree of self-sufficiency;
- Restoration of benefits to legal immigrants, without the newly proposed and cumbersome requirement of establishing immigration status history which will simply increase administrative costs and bureaucracy.

The motion also directs the Chief Administrative Office and the County's Washington advocates to track and actively support the inclusion of these provisions in the Farm Bill.

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The Farm Bill, which is pending Conference Committee action, contains provisions to reauthorize the Food Stamp Program. The positions on Food Stamp reauthorization, which would be communicated in the letters to be sent pursuant to the motion, are consistent with current Board policies and are already being pursued by the County's Washington advocates. The pursuit of County positions on the Farm Bill is described in detail beginning on page 3 of the attached March 22, 2002 Federal Legislative Update.

The motion addresses the three Food Stamp reauthorization issues – quality control (QC), administrative simplification, and restoration of benefits to legal immigrants – which are of greatest importance to California and the County.

In Federal Fiscal Year (FFY) 2001, California's Food Stamp error rate was significantly higher than the national average. Under current Federal law, the State would be penalized for its high error rate, and the penalty could be even higher if the final Farm Bill includes language authorizing an additional penalty to be imposed for serious negligence. On the other hand, if the Farm Bill provides that states only would be subject to QC penalties if they have high error rates for three consecutive years beginning with FFY 2001, California would not be penalized for its high FFY 2001 error rate unless its error rates for FFYs 2002 and 2003 also were high. The QC penalty issue is of major importance to the County because, under current State law, over one half of the total amount of any QC penalty for FFY 2001 would be passed through to the County.

Both the simplification and immigrant restoration issues addressed in the motion also relate to the QC penalty issue. Simplifying program administration should reduce the State's and County's error rates as should the Senate bill's restoration of Food Stamp benefits to legal immigrants, provided that the Senate language is dropped which limits eligibility to only those legal immigrants who previously were not illegally in the country for 12 months or more. This latter requirement is opposed by the National Governors Association, National Association of Counties, National Conference of State Legislatures, and other state and local organizations because it would impose a major administrative burden on state and local agencies which administer Food Stamps, and also would lead to higher QC errors and penalties. Carla Kish, the County's Washington Advocate on Food Stamp issues, advises that the Immigration and Naturalization Service (INS) also has voiced concerns about such an immigration status verification requirement.

It is noteworthy that the Bush Administration supports restoring Food Stamp eligibility to legal immigrants who have been in the U.S. for at least five years, a provision which is included in the Senate bill. In addition, the Governor's Proposed 2002-03 Budget also assumes that Federal legislation will be enacted to restore Food Stamp benefits to legal immigrants who otherwise must be aided under the State-funded California Food Assistance Program.

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In sum, the motion is consistent with County positions currently being pursued by the County's Washington advocates on the Farm Bill.

DEJ:GK
MT:md

Attachment

c: Executive Officer, Board of Supervisors
County Counsel