

106TH CONGRESS  
1ST SESSION

# S. 1800

To amend the Food Stamp Act of 1977 to improve onsite inspections of State food stamp programs, to provide grants to develop community partnerships and innovative outreach strategies for food stamp and related programs, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

OCTOBER 27, 1999

Mr. GRAHAM introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

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## A BILL

To amend the Food Stamp Act of 1977 to improve onsite inspections of State food stamp programs, to provide grants to develop community partnerships and innovative outreach strategies for food stamp and related programs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Food Stamp Outreach and Research for Kids Act of  
6 1999”.

1 (b) TABLE OF CONTENTS.—The table of contents of  
 2 this Act is as follows:

Sec. 1. Short title; table of contents.

#### TITLE I—FOOD STAMP PROGRAM

Sec. 101. Food stamp participation.

Sec. 102. Food stamp inspections.

Sec. 103. Caseworker materials demonstration program.

Sec. 104. Food stamp studies.

Sec. 105. Grants for community partnerships and innovative access and innovation strategies.

Sec. 106. Demonstration projects for online and telephone participation in food stamp program.

Sec. 107. Nutrition information.

Sec. 108. General Accounting Office reports.

#### TITLE II—MEDICAID AND FOOD STAMP INFORMATION THROUGH TANF PROGRAM AND TAX CREDIT

Sec. 201. Information provided to individuals regarding eligibility under food stamp program.

Sec. 202. Credit for expansion of toll-free information number.

## 3 **TITLE I—FOOD STAMP** 4 **PROGRAM**

### 5 **SEC. 101. FOOD STAMP PARTICIPATION.**

6 Section 11(e)(1)(A) of the Food Stamp Act of 1977  
 7 (7 U.S.C. 2020(e)(1)(A)) is amended by striking “at the  
 8 option of the State agency,”.

### 9 **SEC. 102. FOOD STAMP INSPECTIONS.**

10 Section 16 of the Food Stamp Act of 1977 (7 U.S.C.  
 11 2025) is amended by adding at the end the following:

12 “(1) FOOD STAMP INSPECTIONS.—

13 “(1) MANDATORY INSPECTIONS.—During the  
 14 period beginning on the date of enactment of this  
 15 subsection, and ending on September 30, 2002, the  
 16 Secretary shall carry out an annual onsite inspection

1 or review of the operation of the food stamp pro-  
2 gram by each State agency.

3 “(2) VISIT.—The Secretary shall include as  
4 part of each inspection or review under paragraph  
5 (1) a visit to a State or local agency office.”.

6 **SEC. 103. CASEWORKER MATERIALS DEMONSTRATION PRO-**  
7 **GRAM.**

8 Section 16 of the Food Stamp Act of 1977 (7 U.S.C.  
9 2025) (as amended by section 102) is amended by adding  
10 at the end the following:

11 “(m) CASEWORKER DEMONSTRATION PROGRAM.—  
12 The Secretary shall conduct a demonstration program,  
13 through State agencies and in consultation with State  
14 caseworkers, to develop training materials, guidebooks,  
15 and other resources for use by State caseworkers that  
16 focus on issues of access and eligibility under the food  
17 stamp program.”.

18 **SEC. 104. FOOD STAMP STUDIES.**

19 Section 18 of the Food Stamp Act of 1977 (7 U.S.C.  
20 2027) is amended by adding at the end the following:

21 “(g) FOOD STAMP STUDIES.—

22 “(1) IN GENERAL.—To assist in formulating  
23 nutrition policy and to assess the potential costs and  
24 benefits of legislative proposals, the Secretary, act-

1       ing through the Director of the Food and Nutrition  
2       Service, shall conduct—

3               “(A) a study to measure the impacts of the  
4               food stamp program; and

5               “(B) a study to measure the integrity of  
6               the food stamp program.

7               “(2) REPORT.—As soon as practicable after the  
8       date of completion of each study under paragraph  
9       (1), but not later than 2 years after that date, the  
10      Secretary shall submit to the Committee on Agri-  
11      culture of the House of Representatives and the  
12      Committee on Agriculture, Nutrition, and Forestry  
13      of the Senate a report describing the results of the  
14      study.

15              “(3) FUNDING.—Funds made available under  
16      this section may be used by the Secretary to conduct  
17      the studies under paragraph (1).”.

18   **SEC. 105. GRANTS FOR COMMUNITY PARTNERSHIPS AND**  
19                   **INNOVATIVE ACCESS AND INNOVATION**  
20                   **STRATEGIES.**

21       Section 18 of the Food Stamp Act of 1977 (7 U.S.C.  
22   2027) (as amended by section 104) is amended by adding  
23   at the end the following:

24              “(h) GRANTS FOR COMMUNITY PARTNERSHIPS AND  
25   INNOVATIVE ACCESS AND INNOVATION STRATEGIES.—

1           “(1) ESTABLISHMENT.—The Secretary, in con-  
2           sultation with the Secretary of Health and Human  
3           Services, shall establish a program to award grants  
4           to eligible organizations described in paragraph  
5           (2)—

6                   “(A) to develop and test innovative strate-  
7                   gies to ensure that low income, needy families  
8                   that are former or current recipients of benefits  
9                   under a State program established under part  
10                  A of title IV of the Social Security Act (42  
11                  U.S.C. 601 et seq.) continue to receive benefits  
12                  under this Act;

13                  “(B) to help ensure that families that have  
14                  applied for benefits under a State program es-  
15                  tablished under part A of title IV of the Social  
16                  Security Act (42 U.S.C. 601 et seq.), but that  
17                  did not receive the benefits because of State di-  
18                  version strategies or ineligibility for the bene-  
19                  fits, are aware of the availability of, and are  
20                  provided assistance in receiving, benefits under  
21                  this Act;

22                  “(C) to place special emphasis on con-  
23                  ducting outreach to families with earned income  
24                  that is at or above the income eligibility limits  
25                  for benefits under a State program established

1 under part A of title IV of the Social Security  
2 Act; and

3 “(D) to conduct outreach to families with  
4 children.

5 “(2) ELIGIBLE ORGANIZATIONS.—

6 “(A) IN GENERAL.—Grants under para-  
7 graph (1) may be awarded to—

8 “(i) food banks, food rescue, faith-  
9 based, and other community-based pro-  
10 grams, except that the total amount  
11 awarded to such organizations shall be not  
12 less than 15 percent of the aggregate  
13 amount of grants awarded under this sub-  
14 section;

15 “(ii) schools, health clinics, day care  
16 centers, Head Start programs carried out  
17 under the Head Start Act (42 U.S.C. 9831  
18 et seq.), Healthy Start programs carried  
19 out under section 301 of the Public Health  
20 Service Act (42 U.S.C. 241), public health  
21 or welfare and private nonprofit health or  
22 welfare agencies providing assistance under  
23 the Child Nutrition Act of 1966 (42  
24 U.S.C. 1786), and other organizations con-  
25 ducting medicaid and State Children’s

1 Health Insurance Program outreach, ex-  
2 cept that the total amount awarded to  
3 such organizations shall be not less than  
4 15 percent of the aggregate amount of  
5 grants awarded under this subsection;

6 “(iii) States and political subdivisions  
7 of States; and

8 “(iv) other organizations designated  
9 by the Secretary of Agriculture, in con-  
10 sultation with the Secretary of Health and  
11 Human Services.

12 “(B) GEOGRAPHICAL DISTRIBUTION OF  
13 RECIPIENTS.—

14 “(i) IN GENERAL.—Subject to clause  
15 (ii), the Secretary of Agriculture, in con-  
16 sultation with the Secretary of Health and  
17 Human Services, shall select, from all eligi-  
18 ble applications received, at least 1 recipi-  
19 ent to receive a grant under this section  
20 from each region of the Department of Ag-  
21 riculture, and each additional rural or  
22 urban area determined to be appropriate  
23 by the Secretary of Agriculture, in con-  
24 sultation with the Secretary of Health and  
25 Human Services.

1                   “(ii) EXCEPTION.—The Secretary of  
2                   Agriculture may not select grant recipients  
3                   under clause (i) if the Secretary deter-  
4                   mines that an insufficient number of eligi-  
5                   ble grant applications has been received.

6                   “(3) SELECTION.—The Secretary of Agri-  
7                   culture, in consultation with the Secretary of Health  
8                   and Human Services, shall develop criteria for se-  
9                   lecting recipients of grants under paragraph (1) that  
10                  include the consideration of—

11                  “(A) the demonstrated track record of an  
12                  organization in serving low income populations;

13                  “(B) the ability of an organization to reach  
14                  hard-to-serve populations;

15                  “(C) the level of innovative proposals in  
16                  the application of an organization for a grant;  
17                  and

18                  “(D) the development of partnerships be-  
19                  tween public and private sector entities and  
20                  linkages with the community.

21                  “(4) ADMINISTRATION.—

22                  “(A) IN GENERAL.—The Secretary of Ag-  
23                  riculture, in consultation with Secretary of  
24                  Health and Human Services, shall administer  
25                  the grant program under this section.



1           “(B) ADMINISTRATIVE COSTS.—Not more  
2 than 5 percent of funds made available for the  
3 grant program shall be used by the Secretary of  
4 Agriculture or the Secretary of Health and  
5 Human Services for administrative costs.

6           “(C) PROGRAM EVALUATIONS.—

7           “(i) IN GENERAL.—The Secretary of  
8 Agriculture and the Secretary of Health  
9 and Human Services shall jointly conduct  
10 evaluations of programs funded by grants  
11 under this section.

12           “(ii) LIMITATION.—Not more than 20  
13 percent of funds made available for the  
14 grant program shall be used for program  
15 evaluations described in clause (i).”.

16 **SEC. 106. DEMONSTRATION PROJECTS FOR ONLINE AND**  
17 **TELEPHONE PARTICIPATION IN FOOD STAMP**  
18 **PROGRAM.**

19           Section 18 of the Food Stamp Act of 1977 (7 U.S.C.  
20 2027) (as amended by section 105) is amended by adding  
21 at the end the following:

22           “(i) ONLINE AND TELEPHONE PARTICIPATION IN  
23 FOOD STAMP PROGRAM.—The Secretary shall conduct  
24 demonstration projects to evaluate the feasibility and de-  
25 sirability of allowing eligible households to participate in

1 the food stamp program through the use of the Internet  
2 and telephones.”.

3 **SEC. 107. NUTRITION INFORMATION.**

4 Section 18 of the Food Stamp Act of 1977 (7 U.S.C.  
5 2027) (as amended by section 106) is amended by adding  
6 at the end the following:

7 “(j) NUTRITION INFORMATION.—

8 “(1) IN GENERAL.—The Secretary of Agri-  
9 culture, in consultation with the Secretary of Health  
10 and Human Services, shall—

11 “(A) facilitate partnerships to provide in-  
12 formation on nutrition programs described in  
13 paragraph (3); and

14 “(B) maintain a toll-free information num-  
15 ber for individuals to call to obtain information  
16 concerning the nutrition programs.

17 “(2) PARTNERSHIPS.—

18 “(A) IN GENERAL.—To carry out para-  
19 graph (1)(A), the Secretary shall facilitate part-  
20 nerships composed of—

21 “(i) public agencies and organizations;  
22 and

23 “(ii) entities and organizations from  
24 the private sector.

1           “(B) TAX CREDIT.—An entity or organiza-  
2           tion that participates in a partnership under  
3           this section to maintain the toll-free informa-  
4           tion number described in paragraph (1)(B)  
5           shall be eligible to receive a tax credit as pro-  
6           vided in section 45D of part IV of subchapter  
7           A of chapter 1 of the Internal Revenue Code  
8           of 1986 (relating to business related credits).

9           “(3) INFORMATION.—In carrying out this sub-  
10          section, the Secretary shall provide—

11           “(A) information concerning all Federal  
12           nutrition programs, including the food stamp  
13           program and child nutrition programs (as de-  
14           fined in section 25(b) of the National School  
15           Lunch Act (42 U.S.C. 1769f(b));

16           “(B) information that meets the require-  
17           ments of section 11(e)(1)(B) of the Food  
18           Stamp Act of 1977 (7 U.S.C. 2020(e)(1)(B)),  
19           regarding individuals that primarily speak a  
20           language other than English; and

21           “(C) access to an individual to provide in-  
22           formation and clarification that is unavailable  
23           through an automated phone information sys-  
24           tem.”.

1 **SEC. 108. GENERAL ACCOUNTING OFFICE REPORTS.**

2 Section 18 of the Food Stamp Act of 1977 (7 U.S.C.  
3 2027) (as amended by section 107) is amended by adding  
4 at the end the following:

5 “(k) GENERAL ACCOUNTING OFFICE REPORTS.—

6 “(1) NEGATIVE CASE ERROR RATES.—Not later  
7 than 2 years after the date of enactment of this Act,  
8 the Comptroller General of the United States, in  
9 consultation with the Secretary, shall repeat the  
10 study conducted in 1987 to verify negative case  
11 error rates under the food stamp program.

12 “(2) FOOD STAMP OUTREACH STRATEGIES.—  
13 Not later than 2 years after the date of enactment  
14 of this Act, the Comptroller General of the United  
15 States, in consultation with the Secretary, shall con-  
16 duct a study on State and locally-based food stamp  
17 outreach strategies that—

18 (1) examines State policies, including the effec-  
19 tiveness of—

20 (A) extending office hours and adding  
21 weekend hours; and

22 (B) other outreach strategies employed;  
23 and

24 (2) determines how often strategies described in  
25 paragraph (1) are employed, including the methods

1 by which the strategies are advertised by States and  
 2 localities to the target population.”.

3 **TITLE II—MEDICAID AND FOOD**  
 4 **STAMP INFORMATION**  
 5 **THROUGH TANF PROGRAM**  
 6 **AND TAX CREDIT**

7 **SEC. 201. INFORMATION PROVIDED TO INDIVIDUALS RE-**  
 8 **GARDING ELIGIBILITY UNDER FOOD STAMP**  
 9 **PROGRAM.**

10 (a) DEVELOPMENT OF MODEL STATE TANF PRO-  
 11 GRAM APPLICATION.—

12 (1) DEVELOPMENT.—

13 (A) IN GENERAL.—The Secretary of  
 14 Health and Human Services shall develop a  
 15 model application for receiving benefits under a  
 16 State TANF program (as defined in subsection  
 17 (e)).

18 (B) INFORMATION REGARDING ELIGI-  
 19 BILITY FOR MEDICAID AND FOOD STAMPS.—  
 20 The first page of the model application shall  
 21 clearly inform an applicant that the applicant  
 22 may be eligible for benefits under the medicaid  
 23 program under title XIX of the Social Security  
 24 Act (42 U.S.C. 1396 et seq.) and the food  
 25 stamp program under the Food Stamp Act of

1           1977 (7 U.S.C. 2011 et seq.), and inform the  
2           applicant on procedures for applying for bene-  
3           fits at the appropriate State agency, even if the  
4           applicant—

5                   (i) is determined to be ineligible for  
6                   benefits under a State TANF program;

7                   (ii) receives benefits under such a pro-  
8                   gram and is subsequently terminated from  
9                   such a program; or

10                   (iii) is receiving a diversion payment  
11                   under such a program.

12           (2) VOLUNTARY USE BY STATES.—Use of the  
13           model application by the State agency or agencies  
14           that administer and supervise a State TANF pro-  
15           gram shall be on a voluntary basis.

16           (b) DEVELOPMENT OF NOTICE REGARDING POTEN-  
17           TIAL CONTINUED ELIGIBILITY UNDER MEDICAID AND  
18           FOOD STAMP PROGRAMS.—

19                   (1) DEVELOPMENT.—Not later than 6 months  
20           after the date of enactment of this Act, the Sec-  
21           retary of Health and Human Services, in consulta-  
22           tion with the Secretary of Agriculture, shall develop  
23           a 1-page model notice that provides an applicable in-  
24           dividual with the information described in subsection  
25           (a)(1)(B).

## 1 (2) USE BY STATES.—

2 (A) VOLUNTARY USE.—Subject to sub-  
3 paragraph (B), use of the notice by the State  
4 agency or agencies that administer and super-  
5 vise a State TANF program shall be on a vol-  
6 untary basis.

## 7 (B) MANDATORY USE.—

8 (i) IN GENERAL.—If the Secretary of  
9 Health and Human Services determines  
10 (for any period) that a State is providing  
11 the information described in subsection  
12 (a)(1)(B) to less than 75 percent of appli-  
13 cable individuals, such State shall provide  
14 the notice to all applicable individuals until  
15 such time as the State demonstrates to the  
16 Secretary that the State is providing such  
17 information to such percentage of applica-  
18 ble individuals.

19 (ii) APPLICABLE INDIVIDUAL DE-  
20 FINED.—For purposes of this subpara-  
21 graph, the term “applicable individual”  
22 means an individual—

23 (I) who is determined to be ineli-  
24 gible for benefits under a State  
25 TANF program;

1 (II) whose benefits under such a  
2 program have terminated; or

3 (III) who is receiving a diversion  
4 payment under such a program.

5 (c) FORM.—The model application developed pursu-  
6 ant to subsection (a) and the notice developed pursuant  
7 to subsection (b) shall use language that is concise and  
8 easily understandable by applicants under a State TANF  
9 program.

10 (d) DISTRIBUTION.—The Secretary of Health and  
11 Human Services shall distribute the model application de-  
12 veloped pursuant to subsection (a) and the notice devel-  
13 oped pursuant to subsection (b) to the State agency or  
14 agencies that administer and supervise a State TANF pro-  
15 gram.

16 (e) DEFINITION OF STATE TANF PROGRAM.—In  
17 this section, the term “State TANF program” means any  
18 State program established under part A of title IV of the  
19 Social Security Act (42 U.S.C. 601 et seq.).

20 **SEC. 202. CREDIT FOR EXPANSION OF TOLL-FREE INFOR-**  
21 **MATION NUMBER.**

22 (a) TAX CREDIT.—Subpart D of part IV of sub-  
23 chapter A of chapter 1 of the Internal Revenue Code of  
24 1986 (relating to business related credits) is amended by  
25 adding at the end the following:



1 **“SEC. 45D. CREDIT FOR EXPANSION OF TOLL-FREE INFOR-**  
2 **MATION NUMBER.**

3 “For purposes of section 38, the toll-free information  
4 number credit of any taxpayer for any taxable year is 10  
5 percent of the expenses paid or incurred by the taxpayer  
6 during such taxable year as a participant in the partner-  
7 ship described in section 17(o)(2) of the Food Stamp Act  
8 of 1977 (7 U.S.C. 2026(o)(2)).”.

9 (b) CREDIT TREATED AS BUSINESS CREDIT.—Sec-  
10 tion 38(b) of the Internal Revenue Code of 1986 (relating  
11 to current year business credit) is amended by striking  
12 “plus” at the end of paragraph (11), by striking the period  
13 at the end of paragraph (12) and inserting “, plus”, and  
14 by adding at the end the following:

15 “(13) the toll-free information number credit  
16 determined under section 45D.”.

17 (c) TRANSITIONAL RULE.—Section 39(d) of the In-  
18 ternal Revenue Code of 1986 (relating to transitional  
19 rules) is amended by adding at the end the following:

20 “(9) NO CARRYBACK OF SECTION 45D CREDIT  
21 BEFORE EFFECTIVE DATE.—No portion of the un-  
22 used business credit for any taxable year which is  
23 attributable to the credit allowable under section  
24 45D may be carried back to a taxable year ending  
25 before the date of the enactment of such section.”.

1       (d) CLERICAL AMENDMENT.—The table of sections  
2 for subpart D of part IV of subchapter A of chapter 1  
3 of the Internal Revenue Code of 1986 is amended by add-  
4 ing at the end the following:

“Sec. 45D. Credit for expansion of toll-free information number.”.

5       (e) EFFECTIVE DATE.—The amendments made by  
6 this section shall apply to payments made or incurred in  
7 taxable years beginning after the date of enactment of this  
8 Act.

○