



Guidance on State Option Food Stamp Programs

To: All Regional Administrators / Food and Consumer Service

Date: August 8, 1997

On June 12, 1997, the President signed into law the Supplemental Appropriations Act for fiscal year 1997 (P.L. 105-18). This law includes new authority for States to purchase food stamps from the Federal government for use in a State-funded food assistance program for legal immigrants and childless, able-bodied adults ineligible for food stamps due to the 3-month food stamp time limit.

Several States have expressed interest in providing State-funded assistance to some or all the legal immigrants who will lose eligibility for food stamps at the end of August. Several States have already passed legislation that anticipates using food stamps for State-funded food assistance. Other States have similar legislation under consideration.

Attached is guidance for your staff and State agencies on submitting a request to purchase food stamps for use in State-funded nutrition programs. The guidance includes information on the terms for reimbursing the Federal government for the value of food stamps distributed and the Federal administrative costs incurred under such State programs. Please share this document with your State commissioners. Please note that the guidance does not address issuing benefits through an Electronic Benefit Transfer (EBT) system. EBT-related issues will be addressed in an addendum to the guidance.

With this memorandum, we are delegating to the regional offices the authority to approve State requests to purchase food stamps for use in a State-funded food assistance programs. We ask that you keep us and our Financial Management staff informed of States that express interest in running such a program and that you forward to us copies of all approved State plans. Please let us know who in your office will have the lead on this issue.

If you have general questions concerning the attached guidance, please contact Gini Gerbasi at (703) 305-2519. For financial management-related concerns, contact Rich Platt at (703) 305-2346.

Yvette S. Jackson
Deputy Administrator
Food Stamp Program