



## **FARM BILL FAST FACTS**

*The Farm Bill, signed into law by President Bush on May 13, 2002, adds \$6.4 billion in new funding to nutrition assistance programs over a 10-year period. The bill reauthorizes the Food Stamp Program and commodity distribution programs for five years.*

### **FOOD STAMP PROGRAM**

#### **Strengthening our Nutritional Support Programs:**

- ✓ Restores Food Stamp eligibility to legal immigrants who have lived in the country for 5 years.
- ✓ Restores Food Stamp eligibility to legal immigrant children, regardless of entry date.
- ✓ Restores Food Stamp eligibility to legal immigrants receiving other disability benefits, regardless of entry date.
- ✓ Increases the standard deduction for many larger households. The deduction is set at 8.31 percent of inflation-indexed poverty guidelines for most households - recognizing the higher expenses for larger households.
- ✓ Increases asset requirements from \$2,000 to \$3,000 for households with a disabled member aligning it more closely with the process used for elderly households.
- ✓ Authorizes \$5 million per year to be set aside for education and outreach grants to improve FSP access helping inform individuals and families of their eligibility so that they can make personal decisions about seeking benefits.

#### **Supporting Work:**

- ✓ Provides States a 5-month option for transitional benefits for households moving off welfare, supporting recipients and their families as they make the transition into the workforce.
- ✓ Allows States more flexibility in spending Employment and Training (E&T) program funds to more effectively use their E&T funding thereby promoting work.

#### **Simplification and Administrative Reforms:**

- ✓ Changes QC so that only those States with persistently high error rates will face liabilities. States will only be penalized if the probability is 95% that their error rate exceeds 105% of the national average for two years.
- ✓ Replaces the enhanced funding system with a performance system that will award \$48 million in bonuses each year motivating States to improve the quality and accuracy of their service.
- ✓ Streamlines the process for our State partners and recipients by allowing States to exclude certain types of income and resources not counted under the TANF cash assistance or Medicaid programs .
- ✓ Allows States to deem child support payments as an income exclusion rather than a deduction serving as an added incentive for responsible parents to pay child support.
- ✓ Simplifies the standard utility allowance (SUA) option for States electing to use the mandatory SUA rather than actual utility costs, reducing the administrative burden on States and program recipients while reducing both the program's administrative costs and errors.
- ✓ Allows States to extend simplified reporting procedures (now available only for households with earnings) to all households reducing the administrative burden on States and program recipients while reducing both the program's administrative costs and errors.
- ✓ Eliminates requirements that the EBT system be cost-neutral to the Federal government benefiting States that had an efficient coupon distribution process and supporting the EBT conversion process.
- ✓ Allows USDA to use alternative methods for issuing food stamp benefits during times of disaster when use of EBT is impractical - creating flexibility for the program in disaster situations.

## **COMMODITY SUPPLEMENTAL FOOD PROGRAM**

- ✓ Modifies the administrative funding formula to provide a specific reimbursement per caseload slot, subject to annual adjustments thereby providing stability in funding for State agencies to help them more effectively administer the Program.
- ✓ Requires the Department to reinstate caseload for Vermont and Montana at the same level as that established for the 2000 caseload cycle, using Commodity Credit Corporation (CCC) funds.

## **NATIONAL SCHOOL LUNCH PROGRAM**

- ✓ Assures the availability of fruits, vegetables and other specialty food crops for the Nation's school children by requiring USDA to purchase at least \$200 million per year of these products from Section 32 funds.
- ✓ Requires the Secretary to encourage institutions to purchase locally produced foods; authorizes \$400,000 annually in start-up grants to local institutions.
- ✓ Establishes a pilot program to make free fruits and vegetables available in 25 schools in 4 States and on one Indian Reservation.
- ✓ Extends the Buy American requirement to Puerto Rico - establishing requirements for Puerto Rico initially put in place for the contiguous States and extended to Hawaii in 1998.
- ✓ Requires that in cases where military personnel live in "privatized" housing, their housing allowance not be counted as income in determining eligibility for free and reduced price lunches for each of fiscal years 2002 and 2003.
- ✓ Delays until October 1, 2003 implementation of the requirement that any "bonus" commodities acquired for agricultural support purposes and donated to schools be counted towards the requirement that 12 percent of all school lunch assistance be in the form of commodities.

## **EMERGENCY FOOD ASSISTANCE PROGRAM (TEFAP)**

- ✓ Increases mandatory funding for the purchase of commodities using Food Stamp monies from \$100 million to \$140 million.
- ✓ Authorizes funding for direct and indirect costs for processing, storing, transporting and distributing commodities to \$60 million helping State agencies more effectively manage the increased levels of commodities being provided under the Program.

## **WOMEN, INFANTS AND CHILDREN (WIC)**

- ✓ Provides \$15 million for the WIC Farmers Market Nutrition Program in FY 2002.
- ✓ Provides \$5 million in FY 2002 and \$15 million through FY 2007 for the Senior Farmers Market Nutrition Program.
- ✓ Allows States the options to exclude military housing payments to personnel living in "privatized military housing" when determining WIC income eligibility.

## **MISCELLANEOUS**

- ✓ Authorizes FNS to provide technical assistance to the Global Food for Education program.
- ✓ Authorizes the Secretary to distribute CCC and Section 32 commodities to any domestic feeding program that involves acquisition of commodities, to the extent that they are in excess of the quantities necessary to carry out CCC activities - giving the Department more flexibility in utilizing commodities it purchases and in addressing the needs of entities participating in the various domestic food assistance programs.
- ✓ Establishes a new position of Assistant Secretary of Agriculture for Civil Rights.