

104TH CONGRESS
1ST SESSION

S. 843

To amend the Food Stamp Act of 1977 to convert the Food Stamp Program into a Block Grant Program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 23 (legislative day, MAY 15), 1995

Mr. ASHCROFT (for himself, Mr. COVERDELL, Mr. CRAIG, Mr. DEWINE, Mr. SMITH, Mr. INHOFE, and Mr. KEMPTHORNE) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Food Stamp Act of 1977 to convert the Food Stamp Program into a Block Grant Program, 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.**

4 This Act may be cited as the “Food Stamp Flexibility
5 Act of 1995”.

6 **SEC. 2. FOOD STAMP BLOCK GRANT PROGRAM.**

7 The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.)
8 is amended to read as follows:

1 “DEFINITION

2 “SECTION 1. This Act may be cited as the ‘Food
3 Stamp Act’.

4 “DEFINITION

5 “SEC. 2. In this Act, the term ‘State’ means each
6 of the several States, the District of Columbia, the Com-
7 monwealth of Puerto Rico, Guam, the Virgin Islands of
8 the United States, and the reservations of an Indian tribe
9 whose tribal organization meets the requirements of this
10 Act for participation as a State agency.

11 “PURPOSE; IMPLEMENTATION

12 “SEC. 3. (a) PURPOSE.—The purpose of this Act is
13 to strengthen individuals by helping them move from de-
14 pendence on government benefits to economic independ-
15 ence by consolidating Federal assistance to the States for
16 food assistance to the needy into a single grant for such
17 purpose, thereby giving States maximum flexibility to—

18 “(1) require beneficiaries who are parents to
19 ensure that their school-age children attend school;

20 “(2) require minors who are beneficiaries to at-
21 tend school;

22 “(3) require parent beneficiaries to ensure that
23 their children receive the full complement of child-
24 hood immunizations;

25 “(4) limit the amount of time beneficiaries may
26 receive assistance;

1 “(5) require beneficiaries not to use illegal
2 drugs or abuse other drugs;

3 “(6) deny assistance to illegal aliens;

4 “(7) require individuals who sponsor the resi-
5 dency of legal aliens to support those they sponsor;
6 and

7 “(8) involve religious and charitable organiza-
8 tions, voluntary associations, civic groups, commu-
9 nity organizations, nonprofit entities, benevolent and
10 fraternal orders, philanthropic entities, and other
11 groups in the private sector, as appropriate, in the
12 provision of services and assistance to needy individ-
13 uals with the funding States receive under this Act.

14 “(b) IMPLEMENTATION.—This purpose shall be im-
15 plemented in accordance with conditions in each State and
16 as determined by State law.

17 “PAYMENT TO STATES

18 “SEC. 4. (a) STATE MANDATES FOR WORK BY BENE-
19 FICIARIES.—

20 “(1) REQUIREMENTS FOR WORK.—As a condi-
21 tion of receiving a payment of funds under this Act,
22 a State shall require each adult member of any fam-
23 ily receiving assistance from a State under this Act
24 to work, as defined by State law. Any individual who
25 fails or refuses to work, and any member of such in-
26 dividual’s family residing with such individual, shall

1 not be eligible for assistance from funds provided to
2 the State under this Act.

3 “(2) EXCEPTION.—Paragraph (1) shall not
4 apply in the case of an individual who is over sixty-
5 two years of age.

6 “(b) AMOUNT.—

7 “(1) IN GENERAL.—Each State shall, subject to
8 the requirements of this Act, be entitled to receive
9 quarter payments for fiscal years 1996, 1997, 1998,
10 1999, and 2000 in an amount equal to 25 percent
11 of the annual amount determined under paragraph
12 (2) for such fiscal year for carrying out the purpose
13 described in section 3.

14 “(2) ANNUAL AMOUNT.—The annual amount
15 determined under this paragraph is equal to—

16 “(A) in fiscal year 1996, 100 percent of
17 the amount received by a State in fiscal year
18 1994, or 100 percent of the average of amounts
19 received by the State in fiscal years 1992,
20 1993, and 1994, whichever is greater, under
21 this Act; and

22 “(B) in each fiscal year thereafter, 100
23 percent of the amount received by a State in
24 the preceding fiscal year under this Act (as in
25 effect in such preceding fiscal year),

1 “(c) FUNDING REQUIREMENTS.—The Secretary of
2 the Treasury shall make quarterly payments described in
3 subsection (b)(1) directly to each State in accordance with
4 section 6503 of title 31, United States Code.

5 “(d) EXPENDITURE OF FUNDS; RAINY DAY FUND.—
6 Amounts received by a State under this Act for any fiscal
7 year shall be expended by the State in such fiscal year
8 or in the succeeding fiscal year, except for such amounts
9 as the State deems necessary to set aside in a separate
10 account to provide, without fiscal limitation, for unex-
11 pected levels of assistance during periods of high unem-
12 ployment or other events which cause an unexpected in-
13 crease in the need for food assistance to needy individuals.
14 Any amounts remaining in such segregated accounts after
15 fiscal year 2000 shall be expended by a State for the pur-
16 pose described in section 3 of this Act as in effect in fiscal
17 year 2000.

18 “(e) PROHIBITION ON USE OF FUNDS.—Except as
19 provided in subsection (f), a State to which a payment
20 is made under this section may not use any part of such
21 payment to provide medical services.

22 “(f) AUTHORITY TO USE PORTION OF GRANT FOR
23 OTHER PURPOSES.—

24 “(1) IN GENERAL.—A State may use not more
25 than 30 percent of the annual amount paid to the

1 State under this Act for a fiscal year to carry out
2 a State program pursuant to any or all of the follow-
3 ing provisions of law:

4 “(A) Part A of title IV of the Social Secu-
5 rity Act.

6 “(B) Title XVI of such Act.

7 “(C) Title XIX of such Act.

8 “(2) APPLICABLE RULES.—Any amount paid to
9 the State under this Act that is used to carry out
10 a State program pursuant to a provision of law spec-
11 ified in paragraph (1) shall not be subject to the re-
12 quirements of this Act, but shall be subject to the
13 requirements that apply to Federal funds provided
14 directly under the provision of law to carry out the
15 program.

16 “ADMINISTRATIVE AND FISCAL ACCOUNTABILITY

17 “SEC. 5. (a) AUDITS; REIMBURSEMENT.—

18 “(1) AUDITS.—

19 “(A) IN GENERAL.—A State shall, not less
20 than annually, audit the State expenditures
21 from amounts received under this Act. Such
22 audit shall—

23 “(i) determine the extent to which
24 such expenditures were or were not ex-
25 pended in accordance with this Act; and

1 “(ii) be conducted by an approved en-
2 tity (as defined in subparagraph (B)) in
3 accordance with generally accepted audit-
4 ing principles.

5 “(B) APPROVED ENTITY.—For purposes of
6 subparagraphs (A), the term ‘approved entity’
7 means an entity that is—

8 “(i) approved by the Secretary of the
9 Treasury.

10 “(ii) approved by the chief executive
11 officer of the State; and

12 “(iii) independent of any agency ad-
13 ministering activities funded under this
14 Act.

15 “(2) REIMBURSEMENT.—

16 “(A) IN GENERAL.—Not later than 30
17 days following the completion of an audit under
18 this subsection, a State shall submit a copy of
19 the audit to the State legislature and to the
20 Secretary of the Treasury.

21 “(B) REPAYMENT.—Each State shall pay
22 to the United States amounts ultimately found
23 by the approved entity under paragraph (1)(A)
24 not to have been expended in accordance with
25 this Act plus 10 percent of such amount as a

1 penalty, or the Secretary of the Treasury may
2 offset such amounts plus the 10 percent penalty
3 against any other amount in any other year
4 that the State may be entitled to receive under
5 this Act.

6 “(b) ADDITIONAL ACCOUNTING REQUIREMENT.—
7 The provisions of chapter 75 of title 31, United States
8 Code, shall apply to the audit requirements of this section.

9 “(c) REPORTING REQUIREMENTS; FORM, CON-
10 TENTS.—

11 “(1) ANNUAL REPORTS.—A State shall prepare
12 comprehensive annual reports on the activities car-
13 ried out with amounts received by the State under
14 this Act.

15 “(2) CONTENT.—Reports prepared under this
16 section—

17 “(A) shall be for the most recently com-
18 pleted fiscal year;

19 “(B) shall be in accordance with generally
20 accepted accounting principles, including the
21 provisions of chapter 75 of title 31, United
22 States Code;

23 “(C) shall include the results of the most
24 recent audit conducted in accordance with the

1 requirements of subsection (a) of this section;
2 and

3 “(D) shall be in such form and contain
4 such other information as the State deems
5 necessary—

6 “(i) to provide an accurate description
7 of such activities; and

8 “(ii) to secure a complete record of
9 the purposes for which amounts were ex-
10 pended in accordance with this Act.

11 “(3) COPIES.—A State shall make copies of the
12 reports required under this section available for pub-
13 lic inspection within the State. Copies also shall be
14 provided upon request to any interested public agen-
15 cy, and each such agency may provide its views on
16 such reports to the Congress.

17 “(d) ADMINISTRATIVE SUPERVISION.—

18 “(1) ROLE OF THE SECRETARY OF THE TREAS-
19 URY.—

20 “(A) IN GENERAL.—The Secretary of the
21 Treasury shall supervise the amounts received
22 under this Act in accordance with subparagraph
23 (B).

1 “(B) LIMITED SUPERVISION.—The super-
2 vision by the Secretary of the Treasury shall be
3 limited to—

4 “(i) making quarterly payments to the
5 States in accordance with section 4(c);

6 “(ii) approving the entities referred to
7 in subsection (a)(1)(B); and

8 “(iii) withholding payment to a State
9 based on the findings of such an entity in
10 accordance with subsection (a)(2)(B).

11 “(2) OTHER FEDERAL SUPERVISION.—No ad-
12 ministrative officer or agency of the United States,
13 other than the Secretary of the Treasury and, as
14 provided for in section 6, the Attorney General, shall
15 supervise the amounts received by the States under
16 this Act or the use of such amounts by the States.

17 “(e) LIMITED FEDERAL OVERSIGHT.—With the ex-
18 ception of the Department of the Treasury as provided
19 for in this section and section 6 of this Act, no Federal
20 department or agency may promulgate regulations or issue
21 rules regarding the purpose of this Act.

22 “NONDISCRIMINATION PROVISIONS

23 “SEC. 6. (a) NO DISCRIMINATION AGAINST INDIVID-
24 UALS.—No individual shall be excluded from participation
25 in, denied the benefits of, or subjected to discrimination
26 under any program or activity funded in whole or in part

1 with amounts received under this Act on the basis of such
2 individual's—

3 “(1) disability under section 504 of the Reha-
4 bilitation Act of 1973 (29 U.S.C. 794);

5 “(2) sex under title IX of the Education
6 Amendments of 1972 (20 U.S.C. 1681 et seq.); or

7 “(3) race, color, or national origin under title
8 VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d
9 et seq.).

10 “(b) COMPLIANCE.—If the Secretary of the Treasury
11 determines that a State, or an entity that has received
12 funds from amounts received by the State under this Act,
13 has failed to comply with a provision of law referred to
14 in subsection (a), except as provided for in section 7 of
15 this Act, the Secretary of the Treasury shall notify the
16 chief executive officer of the State and shall request the
17 officer to secure compliance with such provision of law.
18 If, not later than 60 days after receiving such notification,
19 the chief executive officer fails or refuses to secure compli-
20 ance, the Secretary of the Treasury may—

21 “(1) refer the matter to the Attorney General
22 with a recommendation that an appropriate civil ac-
23 tion be instituted;

24 “(2) exercise the powers and functions provided
25 under title VI of the Civil Rights Act of 1964 (42

1 U.S.C. 2000d et seq.), title IX of the Education
2 Amendments of 1972 (20 U.S.C. 1681 et seq.); or
3 section 505 of the Rehabilitation Act of 1973 (29
4 U.S.C. 794a), (as applicable); or

5 “(3) take such other action as may be provided
6 by law.

7 “(c) AUTHORITY OF ATTORNEY GENERAL; CIVIL AC-
8 TIONS.—When a matter is referred to the Attorney Gen-
9 eral pursuant to subsection (b)(1), or if the Attorney Gen-
10 eral has reason to believe that an entity is engaged in a
11 pattern or practice in violation of a provision of law re-
12 ferred to in subsection (a), the Attorney General may
13 bring a civil action in an appropriate district court of the
14 United States for such relief as may be appropriate, in-
15 cluding injunctive relief.

16 “NONDISCRIMINATION AND INSTITUTIONAL SAFEGUARDS
17 FOR RELIGIOUS PROVIDERS

18 “SEC. 7. (a) PURPOSE.—The purpose of this section
19 is to allow the participation of religious and charitable or-
20 ganizations as providers of assistance funded under this
21 Act, on the same basis as any other provider, without im-
22 pairing or diminishing the religious character or freedom
23 of such organizations.

24 “(b) NONDISCRIMINATION.—Religious organizations
25 are eligible as providers of food assistance to needy indi-
26 viduals as provided for under this Act. Neither the Federal

1 Government nor a State receiving funds under this Act
2 shall discriminate against an organization which is or ap-
3 plies to be a provider of assistance on the basis that the
4 organization has a religious mission or purpose.

5 “(c) RELIGIOUS CHARACTER AND FREEDOM.—

6 “(1) IN GENERAL.—Notwithstanding any other
7 provision of law, any religious organization partici-
8 pating as a provider of assistance funded under this
9 Act shall retain its independence from Federal,
10 State, and local governments, including such organi-
11 zation’s control over the definition, development,
12 practice, and expression of its religious beliefs. Such
13 an organization may select, employ, promote, dis-
14 cipline, and dismiss its clerics and other
15 ecclesiastics, directors, officers, employees, and vol-
16 unteers on the basis of religion, a religious belief, or
17 a religious practice. However, a religious organiza-
18 tion shall not deny needy individuals the benefits of
19 any assistance funded under this Act on the basis of
20 religion, a religious belief, or refusal to participate in
21 a religious practice.

22 “(2) ADDITIONAL SAFEGUARDS.—Neither the
23 Federal Government nor a State shall require a reli-
24 gious provider of assistance to—

1 “(A) alter its form of internal governance,
2 or form a separate, nonprofit corporation to re-
3 ceive and administer the assistance funded
4 under this Act; or

5 “(B) alter real estate or facilities used to
6 provide such assistance, including but not lim-
7 ited to the removal of religious art, icons, scrip-
8 ture, or other symbols;

9 in order to be eligible to be a provider of food assist-
10 ance funded under this Act.

11 “(3) FISCAL ACCOUNTABILITY.—

12 “(A) IN GENERAL.—Except as provided in
13 subparagraph (B), any religious organization
14 providing assistance funded under this Act,
15 shall be subject to the same regulations as
16 other providers to account in accord with gen-
17 erally accepted auditing principles for the use of
18 such funds provided under this Act.

19 “(B) LIMITED AUDIT.—Religious organiza-
20 tions may segregate Federal funds provided
21 under this Act into separate accounts, and then
22 only the financial assistance provided with those
23 funds shall be subject to audit.

24 “(d) COMPLIANCE.—A religious organization which
25 has its rights under this section violated may enforce its

1 claim by asserting a civil action for such relief as may
2 be appropriate, including injunctive relief or damages, in
3 an appropriate district court of the United States against
4 the entity or agency that commits such violation.

5 “(e) RIGHTS OF BENEFICIARIES OF ASSISTANCE.—

6 “(1) IN GENERAL.—If a beneficiary has a bona
7 fide objection to the religious character of the orga-
8 nization or institution from which the beneficiary is
9 receiving assistance funded under this Act, each
10 State shall provide such beneficiary a certificate, re-
11 deemable with any other provider of assistance fund-
12 ed under this Act, for services the value of which is
13 no less than the value of the funding received by the
14 religious provider from a State to provide assistance
15 funded under this Act for such individual.

16 “(2) PROHIBITION ON PROVIDING CASH IN EX-
17 CHANGE FOR CERTIFICATES.—No provider of assist-
18 ance funded under this Act shall provide a bene-
19 ficiary a cash amount in exchange for a certificate
20 provided for under paragraph (1).

21 **SEC. 3. CONFORMING AMENDMENTS TO THE BUDGET ACT.**

22 Section 255(h) of the Balanced Budget and Emer-
23 gency Deficit Control Act of 1985 (2 U.S.C. 905(h)) is
24 amended by striking “Food stamp programs (12–3505–

1 0-1-605 and 12-3550-0-1-605);” and inserting “Food
2 Stamp Act;”.

3 **SEC. 4. EFFECTIVE DATE.**

4 The amendment made by this Act shall take effect
5 on October 1, 1995.

