

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference

Vote: 4 - 0 - 1

Yeas: George G., Kruse, Verger, Morrisette

Nays: 0

Exc.: Monnes Anderson

Prepared By: Ilana Weinbaum, Administrator

Meeting Dates: 3/21, 4/23

WHAT THE MEASURE DOES: Requires the Department of Human Services (DHS), per approval of a federal waiver and federal funding, to disregard the amount of annual cost-of-living adjustment for Social Security and Supplemental Security Income benefits in determining food stamp benefits. Requires DHS to submit a waiver request by October 1, 2007 and to renew the application annually. Declares an emergency effective on passage.

ISSUES DISCUSSED:

- History of DHS waivers for the Food Stamp Program
- Difference between regulatory and statutory (demonstration project) waivers
- Cost neutrality requirements of federal waivers
- Difficulties food stamp recipients face in being able to afford basic necessities
- Effect of current policies on recipient benefits

EFFECT OF COMMITTEE AMENDMENT: Specifies that DHS will disregard cost-of-living adjustment only if federal funding is provided.

BACKGROUND: The Food Stamp Program helps supplement food budgets for low-income working families and individuals, people on public assistance, seniors and people with disabilities. In January 2004, about 417,000 Oregonians in 210,000 households received Food Stamps each month. The average monthly benefit was about \$160 per household. The federal government pays the cost of benefits, about \$34 million a month, and divided the cost of administering the program with the state.

Financial eligibility for food stamps is based on a complicated formula. In terms of Social Security benefits, the Department of Human Services (DHS) has an automated system that checks Social Security benefits and then recalculates and adjusts the Food Stamp benefits based on any new Social Security amount. The income that DHS counts or excludes is determined by federal regulations. DHS reports that it does not have the option to exclude income unless federal regulation allows it.