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25TH DISTRICT, TEXAS

COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEE ON HEALTH



DOGGETT

## Congress of the United States House of Representatives

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September 2, 2005

Eric M. Bost Under Secretary for Food, Nutrition, and Consumer Services U.S. Department of Agriculture 3101 Park Center Drive, Room 926 Alexandria, Virginia 22302

Re: Texas's Misguided Plan to Privatize the Eligibility Determination Process for the Food Stamp Program

Dear Secretary Bost:

We are writing to express our deep concerns about the State of Texas's efforts to privatize the eligibility determination process for the Food Stamp Program. As Members of Congress from Texas, we are apprehensive about the impact the State's proposal could have on low-income Texans who rely on this assistance, as well as the precedent this effort sets for such practices to be adopted throughout the Nation.

Texas proposes to replace half of the State's eligibility workers with privately contracted employees at four call centers. The State would close 99 of its 380 eligibility offices, which would mean longer travel distances for many clients, most of whom would still be required to go to an office to complete their application and be finger-imaged. The State has called on community- and faith-based organizations to donate *over one million volunteer hours* to assist clients in navigating the more automated system to make up for reductions in the State workforce. This would place an unacceptable and perhaps impossible burden on these organizations, many of which are volunteer-run themselves.

We believe that privatizing the Food Stamp Program offers little advantage and may put our most vulnerable citizens at risk. We are deeply concerned about the impact the proposal could have on hard-to-reach populations, in particular children, people with disabilities, and seniors seeking food assistance who may have trouble with the more automated approach to enrollment.

No state has ever privatized the determination of eligibility for Food Stamps, and the wisdom of abandoning the collective knowledge and experience of so many current eligibility workers is uncertain at best. It is impossible to estimate the number of eligible persons likely to lose Food Stamp benefits as they lose access to local offices and face-to-face interviews. Therefore, we are very concerned about the enormous consequences of this proposal. There are still many unanswered questions about the impact of such an approach on the Food Stamp program.

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We know of no plan to evaluate this new approach even though the State has already signed a fiveyear contract that calls for an 11-month statewide rollout. We believe this is a reckless timetable that does not allow enough time to test or evaluate the new technology or its impact on Food Stamp recipients. A more thoughtful approach would be to test the system in one area for 12 months, followed by an independent evaluation. Since the contract was signed before the Food and Nutrition Service reviewed and granted approval for the plan, we urge you to adopt this more thoughtful approach as a condition of continuing receipt of federal funds.

We urge you to require the State to submit a request for a waiver of the Food Stamp law related to merit system employees conducting eligibility determinations. Should the United States Department of Agriculture decide to approve such a waiver, we urge you, at a minimum, to require Texas to pilot test the new system in a limited geographic environment for at least 12 months and to engage an independent entity to produce a formal evaluation of the pilot program before the program is permitted to expand. The geographic areas selected should be representative of Texas's diverse ethnic and linguistic populations, and should encompass rural areas to determine the challenges rural residents will face in a system with such drastically reduced local services.

Should you decide to grant such a waiver, we request that you not do so before a detailed background briefing for our offices and a public hearing before Congress. The public needs to understand the implications of privatizing such a critical and basic part of the Food Stamp Programs.

We appreciate your attention to this important matter and request that you contact us regarding the actions you plan to take in this matter. Should you have any questions or concerns regarding this issue, please do not hesitate to contact us.

Sincerely,

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Hon. Eddie Beinice Johnson

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Hon. Cher Edwards

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