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IMPLEMENTATION OF NEW FOOD STAMP RULES DELAYED

DHS Board Will Vote Again on Rules at December 28 Meeting

In June, Policy Page #133 (<http://www.cppp.org/products/policypages/131-150/131-150html/PP133.html>) informed readers of new laws passed by the 77th Legislature to improve access to Food Stamps. At its September meeting, the Texas Board of Human Services approved proposed rules to implement these laws. For the purposes of determining eligibility for Food Stamps, the proposed rules would 1) raise the vehicle limit from \$4,650 to \$15,000, 2) exempt all other NON-liquid resources, 3) establish a higher resource limit of \$5,000 for liquid resources (i.e., savings accounts), and 4) exempt certain seniors and persons with disabilities from the finger imaging requirement. The public comment period on these rules ended on November 11, and NO negative comments were received. Despite the absence of negative comment, the board has decided it needs more time to review the new vehicle and resource rules (the finger imaging rules will be adopted and take effect this month??), and will vote on whether to adopt these rules at its next meeting on December 28. This Policy Page explains the proposed rules and urges readers to contact the Texas Department of Human Services' (DHS) board in support of the immediate implementation of these important policy changes.

THE PROPOSED RULES

New Food Stamp vehicle limit

Under the proposed rules, Food Stamp applicants will be allowed to own one or more cars provided each car's fair market value does not exceed \$15,000. If an applicant owns a vehicle worth more than \$15,000, then he/she would **not** be eligible for Food Stamps. The current policy on cars exempts the first \$4,650 of each car's fair market value and counts any additional value toward a maximum \$2,000 resource limit.

New Food Stamp resource test

The proposed rules would disregard any **non-liquid** resources (i.e., stocks, excess vehicle value) owned by the applicant, and allow up to \$5,000 in **liquid** resources (i.e., money in the bank, cash on hand). Under the current policy, families may not have more than \$2,000 in combined liquid and non-liquid resources (\$3,000 if any family member is age 60 or older).

Readers can view the proposed rules at www.cppp.org/policy/food/DHSrules01.html, and CPPP's comments on them at www.cppp.org/products/testimony/tstFSrules01.html.

THE IMPLEMENTATION PROCESS

Typically, when proposed rules do not receive any negative comment, they can be adopted and take effect immediately without further review by DHS' board. In this case, the board has requested more time to consider the Food Stamps rules and will vote on whether to adopt them, as proposed, at its next meeting on December 28. While not knowing what reservations the board may have regarding these rules, the

Center is concerned that the delay in implementation may provide an opportunity for changes to the rules that could weaken them considerably. One thing is clear: under Texas Administrative Law, proposed rules must receive a 30-day public comment period before they can become final. The purpose of this comment period is to give all stakeholders (i.e., advocacy groups, members of the public, state agencies, elected officials, etc.) the opportunity to comment on proposed policy changes in a public manner as part of the rulemaking process. In adopting rules, a state agency must consider all public comments received. If all comments are in favor of the proposed rules, the agency cannot adopt rules that are substantively different from the proposed rules without providing a reasoned justification for making the changes and ignoring the positive comments received. Thus, for the board to approve substantive changes to the proposed Food Stamp rules at its next meeting, ***DHS would have to provide a reasoned justification for doing so or present evidence of public comment in support of the changes.***

What advocates can do

It is important for advocates who support these changes in Food Stamp policy to weigh in with DHS' board and the governor's office as soon as possible, prior to the December 28 meeting. Here are a few points that can be made in support of the proposed rules:

- The proposed rules recognize that reliable transportation is crucial to an individual's ability to find and retain steady employment. Thus, they support Texas' welfare-to-work objectives.
- The proposed resource policy changes are particularly needed now, with new lay-offs announced every day. Many of these workers will need the support of Food

Stamps to meet their families' needs while they put their lives back together. They should not be forced to choose between owning a reliable car, or maintaining some prudent savings in the bank, and receiving Food Stamps.

- By allowing families to own a reliable car and build a safety net of their own, we are stopping the "revolving door" to Food Stamps and public assistance. Families with some savings will be able to weather a short-term

crisis, such as a job loss, on their own without turning to government assistance.

- These rules implement laws passed by the 77th Legislature and enacted by the governor. They were supposed to take effect by September 1 and should be implemented without further delay.

Letters in support of the Food Stamp rules should be sent to all DHS board members at the following address or fax:

Board members:

The Honorable Jon M. Bradley, Chair
The Honorable Jerry Kane, Vice Chair
The Honorable Abigail Rios Barrera, M.D.

The Honorable John Cuellar
The Honorable Manson B. Johnson
The Honorable Terry Durkin Wilkinson

Texas Department of Human Services
John H. Winters Human Services Center
Mail Code W-617
P.O. Box 149030
Austin, Texas 78714-9030
Phone: (512) 438-3046
Fax: (512) 438-4220

and copied to:

Jim Hine, Commissioner
Texas Department of Human Services
John H. Winters Human Services Center
701 W. 51st St.
P.O. Box 149030
Austin, Texas 78714-9030
Phone: (512) 438-3011
Fax: (512) 438-4747

Letters to Governor Rick Perry should be sent to:

Office of the Governor
P.O. Box 12428
Austin, Texas 78711-2428

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