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United States Senate

SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS
(CREATED PURSUANT TO S. RES. 281, 90TH CONGRESS)
WASHINGTON, D.C. 20510

March 7, 1977

The Honorable Jimmy Carter
President of the United States
The White House
Washington, D. C.

Dear Mr. President:

In light of the priority you have set for welfare reform, we would like to bring to your attention a provision common to both food stamp reform proposals we have recently introduced. The provision calls for the elimination of the purchase requirement.

It would work very simply:

Every four-person family participating in the food stamp program, for example, now receives an allotment of \$166 in food stamps per month. For this allotment of \$166, all participating families, except those few with no income at all, must pay a purchase price.

A typical family of four with a net income of \$350 per month currently pays \$95 a month for the allotment of \$166 in food stamps. Therefore the benefit or "bonus" equals \$71 ($\$166 - \$95 = \71).

Eliminating the purchase requirement would provide the "bonus" food stamps to the eligible family without requiring a cash transaction. Our typical four-person family mentioned earlier would simply receive the \$71 in food stamps.

It is our feeling, Mr. President, that such a provision would:

- greatly simplify the administration of the program by eliminating 40% of the stamps in circulation;
- prevent much of the abuse in the program by eliminating the entire sales system and the concomitant need to account for billions of dollars each year;

Page two

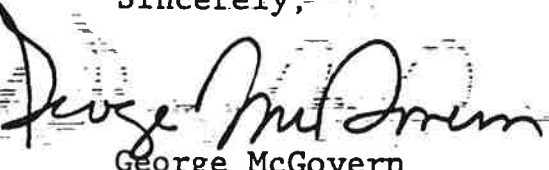
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- allow those who are eligible but can't afford to "buy in" to participate for the first time; and
- most importantly, allow you, for a very modest investment, to take a first step toward welfare reform without, we believe, prejudicing any of your welfare reform options.

We would therefore very much appreciate your considering inclusion of elimination of the purchase requirement in the food stamp reform proposal you send to the Congress.

Sincerely,


Hubert H. Humphrey


George McGovern
Chairman

FOOD STAMP ACT OF 1977
(selected chronologically)

- Nov. 1974 -- President Ford proposes massive reduction in food stamp benefits, effective March 1, 1975
- Jan. 15, 1975 -- Senator McGovern with 42 other Senators introduce legislation to prevent benefit reductions from going into effect
- Feb. 5, 1975 -- Senate passes S. Res. 58 directing the Secretary of Agriculture to study the Food Stamp program and make recommendations
- Feb. 20, 1975 -- P.L. 94-4 becomes law, without the President's signature, freezing the proposed cuts until Dec. 30, 1975
- June 30, 1975 -- USDA submits report pursuant to S. Res. 58
- June 23, 1975 -- Senator Buckley (Cong. Michael) introduce S. 1993 to greatly slash program benefits
- August 6, 1975 -- Senator McGovern released "suppressed" chapters of S. Res. 58 report
- August 12, 1975 -- Secretary Simon calls food stamp program haven for "chiselers and rip-off artists"
- October 2, 1975 -- Dole-McGovern introduce their major reform legislation
- October 20, 1975 -- President Ford unveils administration proposal
- December 30, 1975 -- P.L. 94-4 expires
- Jan. 23, 1976 -- Senate Agriculture Committee marks-up food stamp bill
- April 5-8, 1976 -- Senate debates food stamp reform bill
- May 7, 1976 -- USDA proposes regulations to implement provisions of S. 2537 (administration bill)
- June 18, 1976 -- Trump v Butz law suit filed; regulations enjoined
- Fall, 1976 -- 94th Congress adjourns with no final action; Senate bill dies in House; regulations enjoined by court

March 4, 1977 -- Dole-McGovern introduce S. 845

April 5, 1977 -- President Carter unveils his food stamp proposal

Sept. 29, 1977 -- President Carter signs P.L. 95-113, which includes Food Stamp Act of 1977

Nov. 8, 1978 -- Regulations implementing new food stamp act still not in effect; expected to be in place 1st of 1979. Time elapsed to effectuate change: over 4 years.

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