

FINAL STATEMENT OF REASONS

- a) Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are Necessary

Sections 63-102(e)(2)(C), (D), (E), and (G)

Specific Purpose:

These sections are being amended to change the word "coupons" to "benefits."

Factual Basis:

These amendments are necessary to implement 7 CFR 274.12 which requires implementation of an EBT issuance system for food stamp benefits as an alternative to issuing food stamp coupons.

Section 63-102(e)(2)(H)

Specific Purpose:

This section is being adopted to add meals purchased by eligible elderly, or homeless or disabled food stamp households under the provision of a CDSS-approved restaurant meals program to the definition of eligible food and to specify that counties shall only contract with individual restaurants that are authorized by FNS to participate in this program and serve meals at low or reduced prices.

Factual Basis:

This section is necessary to implement 7 CFR 271.2, 7 CFR 274.10(a)(4)(ii) and (iii), and 7 CFR 278.1(i).

Handbook Section 63-102(e)(2)(H)1.

Specific Purpose/Factual Basis:

This handbook section provides counties with the necessary procedures if they opt to participate in the restaurant meals program. These procedures include submitting to CDSS a proposal on outreach to restaurants and a draft MOU to be used with recruited restaurants. Approval of proposals is always subject to availability of state and federal funds.

Section 63-504.72

Specific Purpose:

This section is being amended to specify that households eligible to participate in the restaurant meals program are to receive some form of ID on which their eligibility is clearly identified.

Factual Basis:

This amendment is necessary to implement 7 CFR 274.10(a)(4).

Handbook Sections 63-504.723(a) and (b)

Specific Purpose/Factual Basis:

These handbook sections are added to ensure that counties using EBT are aware that usage of stickers on EBT cards could potentially cause system problems and that usage of a separate ID card is allowed.

b) Identification of Documents Upon Which Department Is Relying

7 CFR 271.2
7 CFR 274.10
7 CFR 274.12
7 CFR 278.1

c) Local Mandate Statement

These regulations do not impose a mandate on local agencies or school districts. There are no state-mandated local costs in this order that require reimbursement under the laws of California.

d) Statement of Alternatives Considered

CDSS has determined that no reasonable alternative considered would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected private persons than the proposed action.

CDSS has determined that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would lessen any adverse impact on small business.

e) Significant Adverse Economic Impact On Business

CDSS has determined that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

f) Testimony and Response

These regulations were considered as Item #1 at the public hearing held on July 16, 2003 in Sacramento, California. No oral testimony was received at the public hearing. The following written testimony was received from Jody Kent of the L.A. Coalition to End Hunger & Homelessness during the 45-day comment period from May 30, 2003 to 5:00 p.m. July 16, 2003.

General

Comment:

“We think that at least 5 of the restaurants that serve as pilots for this program in LA should be given (free of charge) the appropriate equipment to use the EBT card. We understand that this equipment is generally provided free of charge for those stores that receive \$100 worth of food stamps/month, but these restaurants have yet to be given the opportunity to accept food stamps, therefore this rule does not apply to them. We suggest that an exception be made to accommodate the restaurants serving as pilots for the Restaurant Meals Program for Homeless.”

Response:

This comment is outside the scope of the proposed regulations. CDSS recommends that the commenter (through Los Angeles County) submit a detailed proposal outlining the specifics and justification for the proposal. At that time, dependent on available funding, the Department will conduct an analysis of the proposal and respond accordingly.

g) 15-Day Renotice Statement

CDSS did not renote these regulations because no changes requiring renote were made to the regulations following the public hearing.