

BOB DOLE



(R - Kansas)

2213 Dirksen Building, Washington, D.C. 20510

FOR IMMEDIATE RELEASE
WEDNESDAY, MAY 5, 1982

CONTACT: WALT RIKER
(202) 224-6521

DOLE INTRODUCES FOOD STAMP REFORM ACT OF 1982

WASHINGTON--Senator Bob Dole (R.-Kan) was joined today by Senators Cochran, Andrews, Jepsen, Boschwitz and Danforth, in introducing food stamp reauthorization legislation which combines savings and significant reform measures to ease and improve state administration of the Food Stamp Program.

"Once again, this year we are faced with the issue of how much cost savings can be achieved without unfairly impacting upon needy, low-income Americans," Dole said. "On the other side, we need to do everything we possibly can to enhance program administration and reduce the high error rates that some states consistently demonstrate."

According to Dole, significant budget savings can be accomplished through reducing state error rates, rather than through proposals that will result in further benefit reductions for recipients. "I believe the 'Food Stamp Reform Act of 1982' provides a reasonable approach to achieving further savings in this program, as well as improved program administration."

As Chairman of both the Senate Finance Committee and the Nutrition Subcommittee, Dole is in a unique position to evaluate matters of equity in budget policy. "Given the extent of the budget cuts last year in this and other low-income, means-tested programs, we should not make massive reductions again this year," said Dole. "Still, a significant amount of savings can occur without imposing hardship -- the state of the national economy requires that further savings be made in the federal budget and the \$11.5 billion Food Stamp Program must contribute."

The Dole food stamp reauthorization bill would cut food stamp costs by about 5-6 percent in FY 1983, an estimated savings of \$700 million. Over the next three years, total savings would be more than \$2 billion. About \$2.3 billion was cut from this program during last year's reconciliation process. The projected cost of the Food Stamp Program for FY 1983 is \$12.5 billion, with \$12.9 billion for FY 1984, and \$13.9 billion for FY 1985.

Dole expressed a desire to allow the Food Stamp Program a period of respite from the constant changes that have occurred since 1977. "If I were asked to identify one concern that should outweigh virtually all other concerns in the consideration of food stamp legislation this year, it would be the need for program stability," Dole emphasized.

"In addition to these other considerations, the impact of specific proposals to implement savings must be carefully evaluated," Dole continued. "My proposal presents an alternative to both the Administration's and Senator Helms' approach, because I am concerned about provisions in those proposals that could have an adverse impact on the elderly, disabled, and the working poor," Dole said. "In this latter group, there is not only the tremendously important issue of work incentives, but also that of equity -- it is only fair that those who are willing to work have an incentive to do so."

SUMMARY OF DOLE FOOD STAMP SAVINGS PROVISIONS

CBS's rough estimates on the proposed savings provisions for the Dole Food Stamp reauthorization legislation are as follows: \$800 million for FY 1983, \$700 million for FY 1984, and \$700 million for FY 1985.

Breakdown of specific proposals (in millions):

	<u>FY'83</u>	<u>FY'84</u>	<u>FY'85</u>
Thrifty Food Plan Adjustment	430	246	160
Error Rate Reductions and Sanctions	90	200	325
Revising Rounding Rules	77	93	93
Household Definition	55	58	61
Option on Standard Utility Allowance/Actual Expenses	30	31	32
Delay Indexing on Deductions	42	-	-
Tighten Expedited Service	20	20	20
Notice on Change in Income/ Termination of Benefits	10	10	10
Net Income Limits	5	5	5
Job Search at Time of Application	5	6	7
Elimination of Benefits under \$10	15	15	15
TOTALS:	\$779	\$684	\$728