

News from Senator

# BOB DOLE



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FOR IMMEDIATE RELEASE  
TUESDAY, OCTOBER 18, 1983

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## STATEMENT OF SENATOR BOB DOLE

### NUTRITION SUBCOMMITTEE HEARING ON STATE IMPLEMENTATION OF FOOD STAMP PROGRAM REFORMS

TUESDAY, OCTOBER 18, 1983

DURING THE BUDGET PROCESS OF THE LAST TWO YEARS, THE CONGRESS HAS ENACTED MANY FOOD STAMP PROGRAM REFORMS THAT HAVE HELPED TO ENHANCE THE IMAGE OF THIS OFTEN HIGHLY CRITICIZED PROGRAM. FOR EXAMPLE, WITH FEW EXCEPTIONS, STUDENTS AND STRIKERS HAVE BEEN ELIMINATED FROM PROGRAM PARTICIPATION. I HAPPEN TO BE A VERY STRONG SUPPORTER OF THE FOOD STAMP PROGRAM, BECAUSE I THINK IT FULFILLS A VERY VITAL ROLE IN PROVIDING FOOD ASSISTANCE TO NEEDY AMERICANS. HOWEVER, WE MUST MAKE CERTAIN THAT THIS PROGRAM IS BEING RESPONSIBLY ADMINISTERED, THAT BENEFITS ARE BEING PROPERLY TARGETTED, AND THAT FRAUD AND ABUSE ARE KEPT TO A MINIMUM -- THIS PROGRAM SHOULD BE RESPONSIVE TO THE NEEDS OF LOW-INCOME FAMILIES AND INDIVIDUALS, WHILE WE CONSIDER THE LEGITIMATE RESPONSIBILITY WE HAVE TO THE AMERICAN TAXPAYERS WHO ULTIMATELY PAY FOR THE PROGRAM.

### EFFECTS OF RECONCILIATION

THE RECONCILIATION PROCESS OF 1981 AND 1982 RESULTED IN SAVINGS OF ABOUT \$7 BILLION IN THE FOOD STAMP PROGRAM OVER A THREE-YEAR PERIOD. CONSIDERING THAT SOME MORE EXPENSIVE ENTITLEMENTS WHICH DO NOT PRIMARILY SERVE POOR PEOPLE WERE LEFT UNTOUCHED BY THE BUDGET AX, I BELIEVE THAT WE HAVE NOW GONE FAR ENOUGH IN CUTTING BACK THIS PROGRAM. BECAUSE OF THE KINDS OF BUDGET PROPOSALS THAT WERE ADOPTED OVER THE LAST TWO YEARS, WE NO LONGER HAVE AVAILABLE SIMILAR OPTIONS TO ACHIEVE SAVINGS THAT WOULD MINIMIZE THE IMPACT ON LOW-INCOME AMERICANS. THROUGHOUT THIS BUDGET PROCESS, WE TRIED TO ENACT PROPOSALS THAT RESULTED IN IMPROVED PROGRAM ADMINISTRATION, RATHER THAN BENEFIT REDUCTIONS. IN FACT, THE MAJOR SAVINGS LAST YEAR WERE ACHIEVED BY STRENGTHENING THE ERROR RATE SANCTION SYSTEM.

### RESPONSIBILITY TO RECIPIENTS AND TAXPAYERS

IF FURTHER SAVINGS CAN BE ACHIEVED BY METHODS OTHER THAN BENEFIT REDUCTIONS, THEN WE HAVE A RESPONSIBILITY TO SEE TO IT THAT THIS PROGRAM WORKS AS EFFECTIVELY AS POSSIBLE TO SERVE THE LEGITIMATE NEEDS OF BOTH RECIPIENTS AND TAXPAYERS BY TIGHTENING UP WHERE NECESSARY TO IMPROVE PROGRAM ADMINISTRATION AND REDUCE THE LEVELS OF FRAUD AND ABUSE. THERE IS A BIPARTISAN COMMITMENT TO ACHIEVE THESE GOALS.

### TREAT ISSUE FAIRLY

THERE IS ONE ISSUE THAT SHOULD BE TREATED FAIRLY. WHILE THERE ARE SOME DESERVING AMERICANS WHO FAIL TO RECEIVE ADEQUATE FOOD ASSISTANCE, THERE ARE OTHERS WHO RECEIVE BENEFITS WHO SHOULDN'T BE ELIGIBLE. YET THIS IS RARELY THE FOCUS OF PROFESSIONAL "HUNGER" ACTIVISTS OR THE MEDIA. IN THE FOOD STAMP PROGRAM ALONE, IT IS ESTIMATED THAT ABOUT \$1 BILLION ANNUALLY IS SQUANDERED THROUGH OVERPAYMENTS OF BENEFITS, OR PAYMENTS TO

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INELIGIBLE RECIPIENTS, AS WELL AS OUTRIGHT FRAUD. A BILLION DOLLARS COULD GO FAR IN PROVIDING ASSISTANCE TO THOSE NOT NOW BEING REACHED BY THIS PROGRAM.

### SPECIFIC REFORMS

THIS HEARING IS AN OVERSIGHT HEARING ON WHAT STATES ARE DOING TO IMPLEMENT THE NEW AUTHORITIES CONGRESS HAS GIVEN THEM TO IMPROVE PROGRAM ADMINISTRATION AND GO AFTER FRAUD AND ABUSE. WITH THE ENACTMENT OF THE 1977 AMENDMENTS, THERE WAS A PROVISION FOR 75% FEDERAL MATCHING FUNDS TO STATES FOR ANTI-FRAUD ACTIVITIES; THIS WAS IMPLEMENTED IN 1980.

IN ADDITION, SOME OF THE OTHER PROGRAM CHANGES THAT WERE MADE IN THE 1981 AND 1982 AMENDMENTS INCLUDE MATCHING WAGE AND OTHER INCOME DATA THROUGH INFORMATION AVAILABLE FROM THE SOCIAL SECURITY ADMINISTRATION AND THE UNEMPLOYMENT INSURANCE SYSTEM; THE AUTHORITY FOR NEW AND EXPANDED USE OF ALTERNATIVE ISSUANCE SYSTEMS, SUCH AS THE ON-LINE SYSTEMS ALREADY BEING UTILIZED IN MANY STATES; NEW PROCEDURES THAT MAY HAVE BEEN ESTABLISHED FOR COLLECTING OVERPAYMENTS, SUCH AS WITHHOLDING OF STATE INCOME TAX REFUNDS; TECHNIQUES TO REDUCE MAIL ISSUANCE LOSSES; AND EFFORTS TO REDUCE LOSSES FROM IMPROPERLY REPLACED "LOST OR STOLEN" FOOD STAMPS. OF PARTICULAR INTEREST TO ME IS THE IMPLEMENTATION OF THE CURRENT ERROR RATE SANCTION SYSTEM, WHICH REQUIRES STATES TO REDUCE THEIR ERROR RATES BY 5% BY 1985. SINCE THIS WAS MY PROPOSAL TO STRENGTHEN THE SYSTEM, I THEREFORE HAVE A GREAT VESTED INTEREST IN HOW THIS SYSTEM IS WORKING OUT AT THE STATE LEVEL.

WITNESSES WILL INCLUDE STATE AND LOCAL PROGRAM ADMINISTRATORS REPRESENTING THOSE STATES, COUNTIES, OR CITIES THAT HAVE BEEN MOST EFFECTIVE AND INNOVATIVE IN IMPLEMENTING THE NEW AUTHORITIES GRANTED TO THEM SINCE THE 1977 FOOD STAMP AMENDMENTS. WE LOOK FORWARD TO WHAT THEY WILL HAVE TO SAY ABOUT HOW THESE NEW AUTHORITIES ARE HELPING THEM TO ADMINISTER THE FOOD STAMP PROGRAM IN THEIR RESPECTIVE STATES.

### RESPONSIBILITY TO RECIPIENTS AND TAXPAYERS

TO ACHIEVE THESE GOALS, WE MUST BE ABLE TO IDENTIFY AND CORRECT THE PROBLEMS THAT ARE CAUSING THESE LOSSES. WE MUST BE ABLE TO IDENTIFY AND CORRECT THE PROBLEMS THAT ARE CAUSING THESE LOSSES. WE MUST BE ABLE TO IDENTIFY AND CORRECT THE PROBLEMS THAT ARE CAUSING THESE LOSSES.

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