

News from Senator

BOB DOLE



(R - Kansas)

SH 141 Hart Building, Washington, D.C. 20510

FOR IMMEDIATE RELEASE
FRIDAY, JUNE 14, 1985

CONTACT: WALT RIKER, DALE TATE
(202) 224-3135

STATEMENT OF SENATOR BOB DOLE
SUBCOMMITTEE ON NUTRITION HEARING ON
REAUTHORIZATION OF THE FOOD STAMP PROGRAM

THIS YEAR IS AN IMPORTANT ONE FOR THE FOOD STAMP PROGRAM, BECAUSE IT IS UP FOR REAUTHORIZATION, IN CONJUNCTION WITH THE 1985 FARM BILL. THIS IS THE FIRST FOOD STAMP HEARING TO BE HELD IN THE AGRICULTURE COMMITTEE THIS YEAR, ALTHOUGH WE HAVE A VERY COMPREHENSIVE HEARING RECORD FROM OTHER YEARS, WHICH SHOULD HELP US IN OUR CONSIDERATION OF FOOD STAMP PROGRAM ISSUES DURING THE REAUTHORIZATION PROCESS.

UNLIKE PREVIOUS YEARS, WHEN WE WERE DEALING WITH SIGNIFICANT BUDGET REDUCTIONS OF ABOUT \$2 BILLION IN 1981, AND NEARLY \$900 MILLION IN 1982, BUDGET ISSUES NO LONGER DOMINATE THE POLICY DEBATE FOR THE FOOD STAMP PROGRAM. BY TRIMMING THE UPPER ELIGIBILITY RANGES OF THE PROGRAM, IMPLEMENTING ADMINISTRATIVE REFORMS, AND GOING AFTER FRAUD, WASTE AND ABUSE, WE WERE ABLE TO ACHIEVE ABOUT \$7 BILLION WORTH OF SAVINGS FOR THE FISCAL PERIOD 1982-1985.

IT IS NOW TIME TO TAKE A LOOK AT THE PROGRAM FROM ANOTHER PERSPECTIVE -- WE NEED TO MAKE CERTAIN THAT IT IS WORKING EFFECTIVELY -- THAT LOW-INCOME AMERICANS WHO DEPEND UPON THIS PROGRAM FOR FOOD ASSISTANCE ARE BEING REACHED, AND THAT BENEFITS ARE ADEQUATE.

BUDGET ISSUES FOR FY'86 AND BEYOND

THE SENATE-PASSED BUDGET RESOLUTION HAS INCLUDED SAVINGS OF \$78 MILLION FOR FY 1986, \$155 MILLION FOR FY 1987, AND 224 MILLION FOR FY 1988. I BELIEVE THAT THIS LEVEL OF SAVINGS CAN BE ACHIEVED WITHOUT DOING ANYTHING TO THE PROGRAM THAT WILL MEAN BENEFIT REDUCTIONS FOR RECIPIENTS.

IN ITS DELIBERATIONS ON THE FIRST CONCURRENT BUDGET RESOLUTION THIS YEAR, THE SENATE LEADERSHIP SET OUT WITH A FIRM POLICY NOT TO REDUCE THE DEFICIT BY CUTTING BENEFITS IN LOW-INCOME PROGRAMS. WE BELIEVE THAT ENOUGH HAS BEEN DONE IN THIS AREA ALREADY DURING THE RECONCILIATION PROCESS IN 1981 AND 1982. FOOD STAMP PROGRAM CUTS WERE VERY CAREFULLY DESIGNED IN ACCORDANCE WITH OUR RESPONSIBILITY TO THIS COUNTRY'S NEEDY, AS WELL AS THE AMERICAN TAXPAYER.

DOMESTIC FOOD ASSISTANCE ACT OF 1985

ALONG WITH MY COLLEAGUES, SENATORS BOSCHWITZ, LEAHY, ANDREWS, DANFORTH, AND HATFIELD, I HAVE INTRODUCED S. 1142, THE DOMESTIC FOOD ASSISTANCE ACT OF 1985 WHICH EXTENDS THE FOOD STAMP PROGRAM FOR FOUR YEARS. THIS REAUTHORIZATION LEGISLATION FULFILLS THE SAVINGS REQUIREMENTS OF THE SENATE-PASSED BUDGET RESOLUTION, BUT WE ARE ALSO ABLE TO INCREASE BENEFITS PRIMARILY FOR THE WORKING POOR. THIS IS ACHIEVED BY RAISING THE EARNED INCOME DISREGARD FROM 18 PERCENT TO 20 PERCENT.

MOST OF THE SAVINGS ARE ACHIEVED BY REQUIRING STATES THAT CHARGE A SALES TAX ON FOOD RETURN THE FOOD STAMP FUNDS COLLECTED IN THIS MANNER TO THE FEDERAL TREASURY. STATES HAVE BEEN GETTING FREE REVENUE RIDE OFF THE PROGRAM FOR A LONG TIME AT THE EXPENSE OF NEEDY FOOD STAMP RECIPIENTS. STATES SALES TAXES ERODE THE PURCHASING POWER OF FOOD STAMP RECIPIENTS BY OVER \$125 MILLION A YEAR.

FURTHER, S. 1142, HAS MANY NON-COST PROVISIONS, PATTERNED AFTER RECOMMENDATIONS OF THE PRESIDENT'S TASK FORCE ON FOOD ASSISTANCE, WHICH WOULD ENHANCE ACCESSIBILITY TO THE PROGRAM FOR THOSE WHO MEET THE ELIGIBILITY CRITERIA. AT THE SAME TIME, WE ARE ABLE TO MEET THE CONSTRAINTS OF THE SENATE-PASSED BUDGET RESOLUTION. WE BELIEVE THAT THE DOMESTIC FOOD ASSISTANCE ACT OF 1985 REPRESENTS A RESPONSIBLE APPROACH TO FOOD STAMP PROGRAM REAUTHORIZATION THIS YEAR.

THIS LEGISLATION ACHIEVES SAVINGS BEYOND THE REQUIRED LEVEL -- \$79 MILLION IN FY'86, \$189 MILLION IN FY'87, AND \$234 MILLION IN FY '88. ALL OF THIS IS DONE WITHOUT REDUCING BENEFITS TO RECIPIENTS, AND, IN FACT INCREASING BENEFITS FOR SOME PROGRAM PARTICIPANTS.

BALANCED APPROACH TO REAUTHORIZATION

THERE ARE OTHER FOOD STAMP BILLS PENDING BEFORE THE COMMITTEE. THE ADMINISTRATION HAS SUBMITTED ITS REAUTHORIZATION PROVISIONS, THE CHAIRMAN HAS A VERY COMPREHENSIVE BILL, AND SENATOR MCCLURE HAS INTRODUCED A SIMILAR MEASURE. THE COMMITTEE HAS MANY OPTIONS FOR CONSIDERATION WHEN IT FINALLY COMPLETES THE FARM BILL MARK-UP AND TURNS TO FOOD STAMPS.

IT IS THE INTENTION OF THIS SENATOR TO PROTECT THIS PROGRAM FROM POLICY CHANGES THAT WOULD TRANSLATE INTO BENEFIT REDUCTIONS FOR RECIPIENTS. I BELIEVE THAT THE FOOD STAMP PROGRAM IS, IN MANY WAYS, AS IMPORTANT AS SOCIAL SECURITY. IT IS OUR RESPONSIBILITY TO MAKE CERTAIN THAT IT IS WORKING WELL TO PROVIDE ADEQUATE FOOD ASSISTANCE TO LOW-INCOME AMERICANS.