

# Proposed Rules

Federal Register

Vol. 68, No. 168

Friday, August 29, 2003

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF AGRICULTURE

### Food and Nutrition Service

#### 7 CFR Part 273

RIN 0584-AD13

#### Food Stamp Program: Vehicle and Maximum Excess Shelter Expense Deduction Provisions of Public Law 106-387

**AGENCY:** Food and Nutrition Service, USDA.

**ACTION:** Proposed rule.

**SUMMARY:** The Department proposes to amend its regulations to implement Sections 846 and 847 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies—Appropriations Act 2001 (Agriculture Appropriations Act of 2001). This rule would increase the maximum amount of the food stamp excess shelter expense deduction and index it to the Consumer Price Index, and allow State agencies the option to use their Temporary Assistance for Needy Families (TANF) Program vehicle allowance rules rather than the vehicle rules used in the Food Stamp Program (FSP) where doing so will result in a lower attribution of resources to food stamp households. The proposed rule would increase benefits for some participants, make additional households eligible for food stamps, and provide greater flexibility for States in determining the value of vehicles.

**DATES:** Send your comments to reach us by October 28, 2003.

**ADDRESSES:** You may mail comments to Food Stamp Program, Food and Nutrition Service, USDA, 3101 Park Center Drive, Alexandria, Virginia, 22302, attention Program Design Branch. You may fax comments to us at (703) 305-2486, attention Program Design Branch. You may also hand-deliver comments to us on the 8th floor at the above address. For information about filing electronically, see the **SUPPLEMENTARY INFORMATION** section

under Electronic Access and Filing Address.

**FOR FURTHER INFORMATION CONTACT:** John Knaus, Chief, Program Design Branch, Program Development Division, Food Stamp Program, FNS, at (703) 305-2098. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service at 800-877-8339 between 8 a.m. and 4 p.m. Eastern time, Monday through Friday, excluding Federal holidays.

#### SUPPLEMENTARY INFORMATION:

##### Public Comment Procedures

##### *Electronic Access and Filing Address*

You may view and download an electronic version of this proposed rule at <http://www.fns.usda.gov/fsp/rules/Regulations/default.htm>. You may also send comments to PRGDEV.WEB at the same Internet address after clicking "Email Us" in the yellow bar near the top of the screen. Please include "Attention RIN 0584-AD13" and your name and return address in your e-mail message. If you do not receive a confirmation from the system that we have received your message, please contact us directly at (703) 305-2098.

##### *Written Comments*

Please make your written comments on the proposed rule specific, confine them to issues pertinent to the proposed rule, and explain the reason for any change you recommend. Where possible, you should cite the specific section or paragraph of the proposed rule you are addressing. We may not consider or include in the Administrative Record for the final rule comments that we receive after the close of the comment period or comments delivered to an address other than those listed above. We will make all comments, including names, street addresses, and other contact information of respondents, available for public inspection on the 8th floor, 3101 Park Center Drive, Alexandria, Virginia 22302 between 8:30 a.m. and 5 p.m. Eastern time, Monday through Friday, excluding Federal holidays. Individual respondents may request confidentiality. If you wish to request that we consider withholding your name, street address, or other contact information from public review or from disclosure under the Freedom of

Information Act, you must state this prominently at the beginning of your comment. We will honor requests for confidentiality on a case-by-case basis to the extent allowed by law. We will make available for inspection in their entirety all submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses.

#### Background

*Section 846:* Recognizing that many low-income households have extremely high shelter expenses, Section 5(e)(7) of the Food Stamp Act of 1977 (FSA), 7 U.S.C. 2014(e)(7), provides a deduction from income for households whose shelter expenses exceed 50 percent of their income, after other applicable deductions are made. Because families with comparable amounts of income may have substantially different shelter expenses, affecting their ability to purchase food, the deduction is a means of targeting benefits to those in need. Households without elderly or disabled members are subject to a limit on the amount of shelter expenses that can be deducted. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) set limits that reached a maximum of \$300 in fiscal year (FY) 2001. Those limits are set forth in Section 5(e)(7)(B) of the FSA. In FY 2000, the year prior to implementation of this provision, about three in five households participating in the Food Stamp Program received an excess shelter expense deduction. In FY 2000, 5.3 percent of all households (about 384,000 households) were at the shelter limit and could have received larger benefits if the limit were increased. Almost all of these households contained children. The excess shelter deduction limits in effect at the start of FY 2001 were: \$300, \$521, \$429, \$364, and \$221 respectively, for the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the United States Virgin Islands. Households with elderly or disabled members are not subject to the limits.

*Section 847:* Since 1964, food stamp legislation has limited the value of resources households may own while remaining eligible for food stamps. The FSA specifically addresses the valuation of vehicles as resources that count toward the resource limit of \$2,000 per