INITIAL STATEMENT OF REASONS

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

Section 63-405.137

Specific Purpose:

This section is being adopted to conform with the changes to the Food Stamp Program as mandated by the Food Stamp Reauthorization Act of 2002. The implementation of this section will make certain legal non-citizens who are currently receiving state-funded food stamp assistance eligible for federally-funded food stamp assistance.

Factual Basis:

This section is necessary to conform the California Department of Social Services (CDSS), Manual of Policies and Procedures to federal law as amended by Public Law (P.L.) 107-171, Title IV, Section 4401, of May 13, 2002. P.L. 107-171 amends the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 regarding federal food stamp eligibility for legal non-citizens.

b) <u>Identification of Documents Upon Which Department Is Relying</u>

- P.L. 107-171, Title IV, Section 4401
- United States Department of Agriculture (USDA), Food and Nutrition Service (FNS), Administrative Notice (AN) 03-04, dated October 21, 2002.
- USDA, FNS, AN 02-39, dated July 8, 2002

c) Local Mandate Statement

These regulations do impose a mandate upon local agencies, but not school districts. This regulation package implements federally-mandated changes to the Food Stamp Program. Therefore, there are no state-mandated costs. The local, state, and federal agencies share administrative costs. Increased costs in benefits are paid entirely by the federal government.

d) Statement of Alternatives Considered

CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS 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.

e) Statement of Significant Adverse Economic Impact On Business

CDSS has made an initial determination 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.