

Omnibus Budget Reconciliation Act of 1982

P.L. 97-253, 96 Stat. 763-807

Sept. 8, 1982

- Reauthorized the FSP through the end of FY 1985.
- Future adjustments to the TFP scheduled for Oct. 1, 1983 and Oct. 1, 1984, and will use June 30 data for the same year for the cost of the 4-person plan reduced by 1 percent. On Oct. 1, 1985, and each subsequent October, the unreduced cost of the plan based on the same year's June 30 data will be used.
- Family members who live together and who are neither elderly nor disabled considered one economic unit. Disabled or infirm elderly persons and their spouses may be considered separate households even if they live with others, providing that the income of the other household members does not exceed 165 percent of the poverty guidelines.
- Household allotments and adjustments to the TFP, standard deduction, and the cap on the dependent care/excess shelter expense deduction rounded down to the nearest lower \$1. The unrounded cost of the 4-person TFP is now used to compute the plan for all other household sizes.
- Households with no elderly or disabled members required to meet both a 100 percent of poverty net income test and a 130 percent of poverty gross income test.
- Adjustments of the standard deduction and the cap on the dependent care/excess shelter expense deduction delayed until Oct. 1, 1983.
- Optional standard utility allowance can only be used if the household incurs heating or cooling costs. Households cannot receive the full standard utility allowance if they are only billed for excess or shared costs.
- Households in which the adult members are elderly or disabled and have no earned income exempted from monthly reporting. Secretary allowed to waive monthly reporting for households for which a State can demonstrate an unwarranted administrative expenditure. Granting of waivers permitted to establish periodic reporting rules compatible with AFDC.
- Households consisting entirely of AFDC recipients considered categorically resource eligible.
- Definition of disabled expanded to include disabled veterans and their surviving disabled spouses and children, thus allowing them to use the net income test and medical deductions.
- Disqualification period for households whose head voluntarily quits a job increased from 60 to 90 days. States provided the option of requiring job search at application. Government employees losing jobs due to participation in an illegal strike considered voluntary quitters.
- Discontinued first-month allotments of less than \$10. Prorated benefits following a break of any length in certification.
- Limited expedited service to households with less than \$150 in monthly gross income, or destitute migrant or seasonal farm workers with no more than \$100 in liquid resources. Redefined expedited service as providing food stamp benefits within five days from the date of application, and the law specifically called for the verification of income and liquid assets during that time period to the extent possible.
- Replaced the three-tiered incentive system by 60 percent federal funding of administrative costs for State agencies with error rates below 5 percent and a reasonable rate of invalid decisions. Any State agency's administrative funding may now be reduced if its overissuance error rate exceeds 9 percent in FY 1983, 7 percent in FY 1984, or 5 percent in FY 1985 or any succeeding fiscal year. Under the sanctions, administrative funding would be reduced 5 percent for each 1 percent - 3 percent that its error rate exceeds the goal. For each 1 percent or fraction above 3 percent that a State agency's error rate exceeds its goal, funding would be reduced 10 percent. State agencies may avoid sanctions in the first two years by making satisfactory progress toward a set goal. Secretary may find good cause for a State agency's failure to meet its goal and waive the sanction.
- Workfare obligation increased to 30 hours a week, and WIN participants no longer automatically exempt. State agencies may share in the savings from job placements.
- Waiver authority for those required to report under MRRB expanded to allow for increased compatibility with AFDC.
- Disregarded COLA increases in Social Security and SSI until October 1 of each year.
- Secretary allowed to require State use of alternative methods of issuance to improve program

integrity.

- Permanently disqualified retailers and wholesalers who violate the law for the third time from program participation. Civil money penalties increased from \$5,000 to \$10,000 for stores whose disqualification would harm participants. Secretary allowed to require bonds from previously penalized retailers and wholesalers.
 - Deleted work registration exemption for a parent or other caretaker of a child in a household where there is another able-bodied parent who is subject to work requirements.
 - Deleted requirement for joint USDA/DOL employment regulations.
 - Prohibited a household's receipt of an increased allotment as the result of a decrease in the household's income resulting from a penalty which was imposed against the household for an intentional failure to comply with a Federal, State, or local law relating to welfare or a PA program.
 - Secretary authorized to limit the participation of house-to-house trade routes in those areas in which he finds evidence that the operation of these routes damages the program's integrity.
 - Prohibited the Secretary from requiring a State to submit for prior approval, as part of the approval process for a plan of operation, State agency instructions to staff, interpretations of existing policy, State agency methods of administration, forms used by the State agency, or any materials, documents, memoranda, bulletins, or other matter, unless the State determines that these materials alter or amend the State plan of operation or conflict with the rights and levels of benefits to which a household is entitled.
 - Deleted requirement for States to comply with certification points and hours standards to be established by the Secretary.
 - Secretary allowed to restrict the number of households which may be represented by an authorized representative and establish standards for such representatives.
 - Provided for the prompt reduction or termination of benefits in any case in which the State agency receives from the household a written statement containing information that clearly requires such a reduction or termination of benefits.
 - States required to establish a system to assure that an individual does not receive coupons in more than one jurisdiction within the State.
 - States required to ensure that FSP recipients do not receive both food coupons and SSI cash-out benefits at the same time.
 - States allowed to use alternative means of collecting overissuances.
- Mandated that Puerto Rico implement a noncash food assistance program effective Oct. 1, 1983, allowing the Commonwealth to provide cash benefits to recipients during Fiscal Year 1983. Secretary to study the impact of making food assistance available to needy persons in Puerto Rico in the form of cash and report findings to Congress by March 8, 1983.