

Participation in the program is at the election of the State and its political subdivisions. The Food Stamp Act contemplates a progressive expansion of the program, over the period of the next several years, to all political subdivisions that desire to participate. The welfare agency of each State is responsible, under the act, to submit requests for the program on behalf of political subdivisions (project areas) within the State and to indicate the time schedule under which they desire to inaugurate the program in the various subdivisions. The act further provides that the Secretary of Agriculture shall undertake an orderly expansion of the program by designating project areas in a manner that will provide equitable treatment among the States, taking into account relative need and the readiness of the States to assume their administrative responsibilities for the program.

Families may participate if they live in a project area that has been designated for the program and are found by local welfare officials to be in need of food assistance. Eligible families are those receiving some form of welfare assistance, or those who are unemployed, the part-time employed, those working for low wages, or living on limited pensions. If families are not receiving welfare assistance, eligibility is based on family size and income and the level of liquid assets. These income levels vary by States because the Food Stamp Act requires these standards to be consistent with the standards used under each State's welfare program.

Families exchange the money they would normally be expected to spend for food for coupons worth more. The U.S. Government pays for the difference between the amount each family pays and the total value of food coupons it receives.

The coupons are used to buy food in retail stores. Except for a few imported items, the coupons may be used to buy any food for human consumption. The retailers redeem the coupons at face value at their local banks.

3. History

In January 1961 the President announced that a food stamp program would be initiated on a pilot or experimental basis in a few areas, using funds available to the Secretary of Agriculture under section 32, Public Law 320, 74th Congress. The first of the eight original pilot projects opened on May 29, 1961. Extensive research accompanied these initial projects to measure the impact, effectiveness, and acceptability of the program. The excellent results of the first eight pilot areas led to a continuation and expansion of the pilot program—eventually to 40 counties and 3 cities in 22 States.

In April 1963 the Department submitted draft food stamp legislation to the Congress, recommending enactment so that the program could be progressively expanded to all areas of the country which desired to participate. The Food Stamp Act was approved by the President on August 31, 1964. It authorized expenditures not to exceed \$75 million in fiscal year 1965, \$100 million in 1966, and \$200 million in fiscal year 1967.

4. Level of operations. (See table 1.)

Program: Food stamp program.
Department or agency, and office or bureau: Department of Agriculture; Consumer and Marketing Service.