

INITIAL STATEMENT OF REASONS

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

Section 63-102(e)(2)(H)3.a.

Specific Purpose:

The specific purpose of this amendment is to repeal obsolete language.

Factual Basis:

This repeal is necessary because a separate identification card (ID) is no longer used. Currently, verification of eligibility to the Restaurant Meals (RM) program is electronically accessed through the California Golden State Advantage Electronic Benefit Transfer (EBT) card that allows access to the database through the point of sale device as specified in 7 CFR 274.12(h)(3). This ensures data security during electronic transmission and indicates the recipient's eligibility to the RM program.

Sections 63-102(e)(2)(H)3.b., c., d. and e (Renumbered to 63-102(e)(2)(H)3.a., b., c., and d.)

Specific Purpose/Factual Basis:

The specific purpose of these amendments are to reletter these sections because of the repeal of Section 63-102(e)(2)(H)3.a. The relettering is necessary for consistency of format.

Section 63-102(e)(2)(H)3.d.(i) (Renumbered to 63-102(e)(2)(H)3.c.(i))

Specific Purpose:

The specific purpose of this amendment is to repeal the reference to the ID card and replace it with language that the EBT card contains the RM program "indicator code."

Factual Basis:

This amendment is necessary for consistency with the repeal in Section 63-102(e)(2)(H)3.a.. Also, it is necessary to add language that requires that the county provide the appropriate RM program "indicator code" through the EBT database.

Section 63-102(e)(2)(H)3.e.(iii) (Renumbered to 63-102(e)(2)(H)3.d. (iii))

Specific Purpose:

The specific purpose of this amendment is to clarify that food stamp benefits cannot be used to purchase alcohol. This section is also renumbered from e. to d.

Factual Basis:

This amendment is necessary for consistency with existing language in Section 63-102(e)(2)(A). Alcoholic beverages are an exception to the eligible foods which can be purchased with food stamp benefits. This section is also renumbered for consistency due to the repeal of Section 63-102(e)(2)(H)3.a.

Section 63-504.723

Specific Purpose:

The specific purpose of this amendment is to replace the requirement for the eligible household to receive an ID card with the requirement that their eligibility for the program be electronically verified through the EBT card.

Factual Basis:

This amendment is necessary for consistency with the amendments in Section 63-102(H)3.. The current capability of the EBT system software to validate each transaction prior to authorization eliminates the need for the recipient to carry a separate ID card to participate in the RM program.

Section 63-504.723(a) (Handbook)

Specific Purpose:

The specific purpose of this amendment is to delete language about the separate ID card used in conjunction with the EBT card.

Factual Basis:

This amendment is necessary for consistency with the amendment to Section 63-504.723.

b) Identification of Documents Upon Which Department Is Relying

7 CFR 274.12(h)(3)

c) Local Mandate Statement

These regulations do not impose a mandate on local agencies or school districts. There are no state-mandated local costs in this order that require reimbursement under the laws of California.

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.