

DIVISION OF WELFARE: Division of Welfare may reimburse
WELFARE DEPARTMENT: City of St. Louis 50% of expenditures
SURPLUS COMMODITIES: incurred by it in issuance of Food
Stamps.

Opinion No. 367

October 15, 1962



Mr. Proctor N. Carter
Director
Division of Welfare
State Office Building
Jefferson City, Missouri

Dear Mr. Carter:

In your letter of October 3, 1962, you requested an opinion from this office as follows:

"Senate Bill No. 147 was enacted by the 71st General Assembly relating to the distribution of surplus agricultural commodities and provided, in part, that the Division of Welfare should reimburse any county or city not within a county in an amount equal to 50% of the sum expended by the county or city for the acquisition, warehousing and necessary cold storage, safekeeping, maintenance of proper records and distribution of surplus agricultural commodities during the preceding month; provided the expenditure had been approved by the Division of Welfare. This legislation was enacted with an emergency clause referring to the prevalent need for surplus agricultural commodities which the Government of the United States is making available for distribution.

"It has been decided to discontinue direct surplus commodities distribution in St. Louis City and substitute therefor what is known as a "Pilot Federal

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Food Stamp Program". Under this program it is planned that the Division of Welfare will certify persons or households eligible to receive food stamps and that the City of St. Louis will be responsible for the issuance and accountability of food stamp coupons. The food stamp program is for the purpose of encouraging the domestic consumption of agricultural commodities and products thereof, by increasing their utilization among welfare recipients and low income groups.

"QUESTION: Under Senate Bill No. 147 can the Division of Welfare reimburse the City of St. Louis in an amount equal to 50% of the sum expended by the City in the issuance of Federal Food Stamps?"

You have also forwarded to this office certain rules and regulations promulgated by the Secretary of the United States Department of Agriculture and identified as Part 540, Pilot Food Stamp Program of Chapter V, Title 6 of the Agriculture Marketing Service.

The general purpose and scope of the Pilot Food Stamp Program set out in Section 540.1 in the rules and regulations, hereinafter referred to as the regulations, is to encourage the domestic consumption of agricultural commodities and products thereof by increasing their utilization among lower income groups. In general these regulations provide for the Department of Agriculture to furnish to a city or county coupons or food stamps which are to be redeemed in exchange for food in the manner as set out in said regulations. The regulation further provides that the State Public Welfare Agency shall act as the certifying agency of eligible households to the local agency of the county or municipal government that will be responsible for the issuance of coupons to the eligible households. Those households now receiving assistance under the federally-aided programs of Old Age Assistance, Aid to Dependent Children, Aid to the Blind, and Aid to the Disabled are eligible to participate in this program for benefits in addition to what they are now receiving. Other persons or households may also be eligible if approved by the State Welfare Agency.

The rules also provide the manner in which the food stamps are to be accepted by the retail or wholesale food stores in exchange for food and for the redemption by the

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local banks of the food stamps from the merchants and finally by the Secretary of Agriculture and the Treasurer of the United States.

The ultimate purpose of this food stamp program as disclosed by these rules and regulations is to increase the consumption of agricultural products, thus reducing the surplus of agriculture commodities and one of the methods which the Secretary of Agriculture has adopted for this purpose is the use of food stamps as provided for under the rules and regulations promulgated by his department. It is also clear that under these regulations it will be necessary for the county or municipal agency acting as the issuing agency under this program to keep records and to account for the use and disposition of all stamps received by the agency.

House Bill No. 147, 71st General Assembly, Laws of Missouri, 1961, page 510, provides in part that any county and the City of St. Louis may establish a program for the acquisition, storage, and disposition of surplus agricultural commodities to needy persons pursuant to the Act of Congress of the United States. It further provides that the Division of Welfare and the Department of Public Health and Welfare shall make and promulgate necessary regulations for the administration of the program and for the certification of the eligibility of the recipients of the commodities. It further provides:

"(3) The division of welfare of the department of public health and welfare shall, on or about the fifteenth day of each month reimburse any county or city not within a county in an amount equal to fifty per cent of the sum expended by the county or city for the acquisition, warehousing and necessary cold storage, safekeeping, maintenance of proper records and distribution of surplus agricultural commodities during the preceding month; provided the expenditures have been approved by the division of welfare."
(Emphasis ours.)

It should be noted that under the above statute, the Division of Welfare is authorized to reimburse a county or the City of St. Louis up to 50% of the cost of maintenance of proper records and the distribution of surplus commodities.

You state in your letter that it has been decided to discontinue direct surplus commodity distribution in St. Louis and to substitute therefor the Pilot Federal Food

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Stamp Program. In order to do this the City of St. Louis will under the rules and regulations referred to herein act as issuing agency and as such will be responsible for the issuance and distribution of the food stamps to those persons or families who are certified by the State Division of Welfare as eligible to receive them. In order to do this it will be necessary for the City of St. Louis to maintain and keep an accurate record of all food stamps received by it in order that an accurate accounting can be made as to the use and distribution of such stamps. It would appear that the keeping of such records would be a necessary and valid expense in the administration of the program and that the Division of Welfare under the above cited statute has authority to reimburse the City of St. Louis up to 50% of the cost of the keeping and maintenance of said records, provided the expenditures have been approved by the Division of Welfare.

CONCLUSION

It is the opinion of this office that under Senate Bill No. 147 of the 71st General Assembly the Division of Welfare has authority to reimburse the City of St. Louis in an amount equal to 50% of the sum expended by the City in the issuance of federal food stamps under this program.

The foregoing opinion, which I hereby approve, was prepared by my assistant, Moody Mansur.

Yours very truly,

THOMAS F. EAGLETON
Attorney General

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