

Attachment C

7 U.S.C. 2026(a)(1)

“(A) implement the restructured quality control system; and

“(B) reduce payments to State agencies—

“(i) for quarters after implementation of such system in accordance with the restructured quality control system; and

“(ii) for quarters before implementation of such system, as provided under the regulations described in paragraph (1)(B).”

[References to the food stamp program established under the Food and Nutrition Act of 2008 considered to refer to the supplemental nutrition assistance program established under that Act, see section 4002(c) of Pub. L. 110-246, set out as a note under section 2012 of this title.]

§ 2026. Research, demonstration, and evaluations

(a) Contracts or grants; issuance of aggregate allotments

(1) The Secretary may enter into contracts with or make grants to public or private organizations or agencies under this section to undertake research that will help improve the administration and effectiveness of the supplemental nutrition assistance program in delivering nutrition-related benefits. The waiver authority of the Secretary under subsection (b) of this section shall extend to all contracts and grants under this section.

(2) The Secretary may, on application, permit not more than two State agencies to establish procedures that allow households whose monthly supplemental nutrition assistance program benefits do not exceed \$20, at their option, to receive, in lieu of their supplemental nutrition assistance program benefits for the initial period under section 2017 of this title and their regular allotment in following months, and at intervals of up to 3 months thereafter, aggregate allotments not to exceed \$60 and covering not more than 3 months' benefits. The allotments shall be provided in accordance with paragraphs (3) and (9) of section 2020(e) of this title (except that no household shall begin to receive combined allotments under this section until it has complied with all applicable verification requirements of section 2020(e)(3) of this title) and (with respect to the first aggregate allotment so issued) within 40 days of the last benefit issuance.

(b) Pilot projects

(1)(A) The Secretary may conduct on a trial basis, in one or more areas of the United States, pilot or experimental projects designed to test program changes that might increase the efficiency of the supplemental nutrition assistance program and improve the delivery of supplemental nutrition assistance program benefits to eligible households, and may waive any requirement of this chapter to the extent necessary for the project to be conducted.

(B) PROJECT REQUIREMENTS.—

(i) PROGRAM GOAL.—The Secretary may not conduct a project under subparagraph (A) unless—

(I) the project is consistent with the goal of the supplemental nutrition assistance program of providing food assistance to raise levels of nutrition among low-income individuals; and

(II) the project includes an evaluation to determine the effects of the project.

(ii) PERMISSIBLE PROJECTS.—The Secretary may conduct a project under subparagraph (A) to

(I) improve program administration;

(II) increase the self-sufficiency of supplemental nutrition assistance program recipients;

(III) test innovative welfare reform strategies; or

(IV) allow greater conformity with the rules of other programs than would be allowed but for this paragraph.

(iii) RESTRICTIONS ON PERMISSIBLE PROJECTS.—If the Secretary finds that a project under subparagraph (A) would reduce benefits by more than 20 percent for more than 5 percent of households in the area subject to the project (not including any household whose benefits are reduced due to a failure to comply with work or other conduct requirements), the project—

(I) may not include more than 15 percent of the number of households in the State receiving supplemental nutrition assistance program benefits; and

(II) shall continue for not more than 5 years after the date of implementation, unless the Secretary approves an extension requested by the State agency at any time.

(iv) IMPERMISSIBLE PROJECTS.—The Secretary may not conduct a project under subparagraph (A) that—

(I) involves the payment of the value of an allotment in the form of cash or otherwise providing benefits in a form not restricted to the purchase of food, unless the project was approved prior to August 22, 1996;

(II) has the effect of substantially transferring funds made available under this chapter to services or benefits provided primarily through another public assistance program, or using the funds for any purpose other than the purchase of food, program administration, or an employment or training program;

(III) is inconsistent with—

(aa) paragraphs (4) and (5) of section 2012(n) of this title;

(bb) the last sentence of section 2014(a) of this title, insofar as a waiver denies assistance to an otherwise eligible household or individual if the household or individual has not failed to comply with any work, behavioral, or other conduct requirement under this or another program;

(cc) section 2014(c)(2) of this title;

(dd) paragraph (2)(B), (4)(F)(i), or (4)(K) of section 2015(d) of this title;

(ee) section 2017(b) of this title;

(ff) section 2020(e)(2)(B) of this title;

(gg) the time standard under section 2020(e)(3) of this title;

(hh) subsection (a), (c), (g), (h)(2), or (h)(3) of section 2025 of this title;

(ii) this paragraph; or

(jj) subsection (a)(1) or (g)(1) of section 2029 of this title;

(IV) modifies the operation of section 2014 of this title so as to have the effect of—

(aa) increasing the shelter deduction to households with no out-of-pocket housing