

109TH CONGRESS
1ST SESSION

H. RES. 262

Expressing the sense of the House of Representatives that the Secretary of Agriculture should investigate and find alternative actions with regard to the unilateral temporary termination of the participation of retail food stores in the electronic benefits transfer system (EBT) under the Food Stamp Act of 1977.

IN THE HOUSE OF REPRESENTATIVES

MAY 4, 2005

Mr. SCHWARZ of Michigan submitted the following resolution; which was referred to the Committee on Agriculture

RESOLUTION

Expressing the sense of the House of Representatives that the Secretary of Agriculture should investigate and find alternative actions with regard to the unilateral temporary termination of the participation of retail food stores in the electronic benefits transfer system (EBT) under the Food Stamp Act of 1977.

1 *Resolved*, That it is the sense of the House of Rep-
2 resentatives that the Secretary of Agriculture, acting
3 through the Food and Nutrition Service, should inves-
4 tigate and find alternative actions with regard to the uni-
5 lateral temporary termination of the participation of retail

1 food stores in the electronic benefits transfer system
2 (EBT) under the Food Stamp Act of 1977, including—

3 (1) providing notification to retail food stores
4 that participate in the food stamp program, before
5 unilaterally terminating the operation of EBT in fa-
6 cilities operated by such stores,

7 (2) not terminating such operation—

8 (A) on a day immediately preceding a Fed-
9 eral holiday, or

10 (B) during the period beginning on Friday
11 at 4:00 P.M. and ending on Monday at 7:00
12 A.M.,

13 without valid proof of a fraudulent act committed by
14 the retail food store involved,

15 (3) if a retail food store is suspected of commit-
16 ting a fraudulent act, continuing the operation of
17 the electronic benefit transfer system for the use of
18 households participating in the food stamp program
19 but—

20 (A) temporarily halting repayment to the
21 retail food store involved until valid proof of the
22 fraudulent act is verified,

23 (B) requiring that repayment amounts oth-
24 erwise payable to such store be temporarily
25 halted and be deposited in a separate account

1 pending a determination of whether there is
2 valid proof of the fraudulent act by such store,
3 and

4 (C) providing to retail food stores that par-
5 ticipate in the food stamp program, an EBT
6 emergency hotline that operates 24 hours a day
7 and 7 days a week, to make available to such
8 store (and to customers of such store who use
9 EBT to obtain food) information explaining the
10 reasons for any unilateral termination of the
11 operation of EBT in such store, and

12 (4) if a retail food store is suspected of engag-
13 ing in a fraudulent act in operating EBT and if no
14 such fraudulent act is found, requiring the payment
15 of reasonable compensation to such store for lost
16 profits resulting from the loss of sales to customers
17 of such store who would have used EBT to obtain
18 food if EBT had been operational during the period
19 of termination.

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