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Food Stamp Overhaul Is Sought In Senate Bill to Change Base

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WASHINGTON, Oct. 2—Senator Robert Dole, Republican of Kansas, and Senator George McGovern of South Dakota, Democrat, introduced today a bill that would establish income ceilings on eligibility for food stamps and overhaul the administration of the \$6-billion a year program.

The major administrative change, which would also change the nature of the food stamp program, is the elimination of purchases of the food coupons.

The Government now computes for each family the amount of money the Government believes the family can afford to pay toward the price of food stamps, which are designed to buy a nutritious, though economic, diet. The family pays to the Government the sum the Government has computed, and the Government supplies the difference between that sum and the cost of the stamps.

A family of four, for example, is entitled to \$162-a-month in stamps, may be required to pay \$120 to receive the full stamp value. This amounts to a \$42 Government supplement.

Under the proposed plan, the family would not have to pay any money to the Government; it would simply be given \$42 in food stamps.

The change would eliminate the need to print and account for billions of dollars in stamps.

But it would also change the nature of the program from one insuring that participants buy \$162 in food each month, as would be the case for a family of four, to one that

supplements the family's food budget. It would become an income supplement program, rather than a feeding program.

The bill, sponsored by the same powerful coalition that successfully fought a Ford Administration attempt to cut benefits earlier this year, would address most of the features of the plan that have been criticized in the Administration and in the Congress.

Instead of the complicated system of itemized deductions from income to determine if a recipient's adjusted income made him eligible, it would provide for a standard deduction based on the regional cost of living. And it would ban from participation college students who are tax dependents of ineligible families.

The administrative changes are expected to make ineligible about 1.6 million of the 19.1 million who were participating in the program in July of this year, the Agriculture Department estimates. It is expected to save at least \$50-million to \$100-million alone from the mathematical errors in determining eligibility, which make up 28 per cent of all errors in the program, Mr. Dole said.

The food stamp program has increasingly been called a "middle class rip-off" as the recent recession drove enrollment to over 20 million participants in April of this year, a 5-million increase over a six-month period. Families earning \$12,000 and more were increasingly receiving stamps.

Unemployment has declined and so has enrollment in the program. August participation fell to 18.8 million people, the Agriculture Department reported this week.

Under the new income ceiling plan, a family of four earning \$7,776 after taxes—about \$9,000 gross income—would not be eligible for stamps.