which provide an audit record for accountability. An additional change made the wording about the period of retention conform to 7 CFR 272.1(f).

The one commenter responding to the Department's proposal stated that the provision would not affect the program operations of that State. Wording and punctuation within the first ten words in paragraphs (a) and (a)(1) of 7 CFR 274.11 are revised slightly from the proposed rule to make clearer the fact that the provision addresses four separate groups of documents to be retained—issuance records, inventory records, reconciliation records, and other records. These latter changes do not affect the meaning or intent of the proposed rule.

Therefore, the wording of the proposed rule, regarding sections 7 CFR 274.11(a) and (a)(1) with the exception noted above, is adopted as final.

Dates

- Effective. Section 1738 of Pub. L. 101-624 was effective February 1, 1992. Section 102 of Pub. L. 103-225 was effective March 25, 1994. The effective date for the amendments to 274.2(d)(1), 274.3(e), and 274.11(a) is September 1, 1995.
- 2. Implementation. The implementation date for Section 102 of Pub. L. 103-225 was March 25, 1994. The implementation date for Section 1738 of Pub. L. 101-624 was February 1, 1992. By that date, or soon thereafter, States should have submitted to FCS, an approvable amendment to the State Plan of Operation, for direct-mail issuance in rural areas. The timetable for actual implementation of any new direct-mail issuance system will be set by the State agency, with FCS approval. The implementation date for the amendments to 274.2(d)(1), 274.3(e), and 274.11(a) is September 1, 1995.

List of Subjects

7 CFR Part 272

Alaska, Civil rights, Food stamps, Grant programs—social programs, Reporting and recordkeeping requirements.

7 CFR Part 274

Administrative practice and procedure, Food stamps, Grant programs—social programs, Reporting and recordkeeping requirements.

As stated in the Preamble, parts 272 and 274 of chapter II of Title 7, Code of Federal Regulations, are amended as follows:

1. The authority citation for parts 272 and 274 continues to read as follows:

Authority: 7 U.S.C. 2011-2032.

PART 272—REQUIREMENTS FOR PARTICIPATING STATE AGENCIES

2. In § 272.1, a new paragraph (g)(140) is added to read as follows:

§ 272.1 General terms and conditions.

(g) Implementation. * * *

- (140) Amendment No. 333. The provisions of Amendment No. 333 are effective and must be implemented as follows:
- (i) The provisions relating to aggregated (combined) allotments to households applying after the 15th of the month and mail issuance in rural areas where households experience transportation difficulties in obtaining benefits are effective and must be implemented by statute retroactive to February 1, 1992.
- (ii) The provision relating to staggered issuance on Indian reservations was in place on March 25, 1994, is effective and must be implemented according to statute retroactive to March 25, 1994.
- (iii) The remaining provisions are effective and must be implemented September 1, 1995.
- 3. In § 272.2, a new sentence is added to the end of paragraph (a)(2), and a new paragraph (d)(1)(xi) is added, to read as follows:

§ 272.2 Plan of operation.

- (a) General purpose and content. * *
- (2) Content. * * * The Plan's attachments shall describe the State agency's review of direct-mail issuance requirements in rural areas.

(d) Planning Documents.

(xi) A plan to review direct-mail issuance requirements in rural areas. State agencies using direct-mail issuance throughout the State with exceptions only for individual households, shall simply state this fact. State agencies which use methods of benefit issuance other than direct-mail issuance in any part of the State shall submit an attachment to their State Plan of Operation which includes the State agency's procedure for reviewing directmail issuance requirements in rural areas, and the results of applying that procedure for designating parts of, or entire, project areas as requiring directmail issuance because they are rural, and are areas in which benefit-eligible households face substantial difficulties in obtaining transportation. The requirements for this attachment to the State Plan of Operation are described in § 274.2(g) of this chapter.

PART 274—ISSUANCE AND USE OF **COUPONS**

- 4. In § 274.2:
- a. a new sentence is added at the end of paragraph (a);
- b. the heading of paragraph (b) is
- c. paragraphs (b)(2), (b)(3), and (b)(4) are removed:
- d. paragraphs (b)(1), (c), (d), and (e) are redesignated as paragraphs (b), (d), (e), and (f), respectively;
- e. two new sentences are added at the end of newly-redesignated paragraph
- f. newly-redesignated paragraph (d)(1) is revised;
- g. paragraphs (d)(2) and (d)(3) are redesignated as paragraphs (d)(3) and (d)(4), respectively;
- h. newly-redesignated paragraph (d)(3) is revised; and
- i. new paragraphs (c), (d)(2) and (g) are added.

The additions and revisions read as follows:

§ 274.2 Providing benefits to participants.

- (a) General * * * Requirements to assure timely and accurate issuance of benefits to eligible households in rural areas are described in paragraph (g) of this section.
- (b) Availability of benefits. * * * For households entitled to expedited service, the State agency shall make benefits available to the household not later than the fifth calendar day following the date of application. Whatever system a State agency uses to ensure meeting this delivery standard shall be designed to allow a reasonable opportunity for redemption of ATPs no later than the fifth calendar day following the date of application.
- (c) Combined allotments. For those households which are to receive a combined allotment, the State agency shall provide the benefits for both months as an aggregate (combined) allotment, or as two separate allotments, with the same validity period, made available at the same time, in accordance with the timeframes specified in § 273.2 of this chapter.
 - (d) Ongoing households * * *
- (1) State agencies that use direct-mail issuance shall stagger issuance over at least 10 days of the issuance month, and may stagger issuance over the entire issuance month. State agencies using a method other than direct-mail issuance may stagger issuance throughout the month, or for a shorter period. When staggering benefit delivery, however, State agencies shall not allow more than 40 days to elapse between the issuance of any two allotments provided to a