participation, the date by which it must be accomplished, the consequences of failure to comply, notification that the household's participation will be reinstated if it complies within 30 days after its application for recertification was filed and is found eligible, and that the household has a right to a fair hearing. If the household subsequently requests an interview or provides the required verification information within 30 days of the date of its recertification application and is found eligible, the State agency must reinstate the household. Under this option, benefits must be provided within 30 days after the application for recertification was filed or within 10 days of the date the household provided the required verification information or completed the interview, whichever is later.

Current regulations at 273.14(f)(2)provide that any application not submitted in a timely manner shall be treated as an application for initial certification, except for verification requirements. If the household does not submit a recertification form before its certification period expires, the household's benefits for the first month of the new certification period are prorated in accordance with 7 CFR 273.10(a)(2). However, Section 13916 of the 1993 Leland Act amended Section 8(c)(2)(B) of the Act, 7 U.S.C. 2017(c)(2)(B), to eliminate proration of first month's benefits if a household is recertified for food stamps after a break in participation of less than one month. Therefore, if a household submits an application for recertification after its certification period has expired, but before the end of the month after expiration, the application is not considered an initial application and the household's benefits for that first month are not prorated. We are proposing to include this new provision in revised section 7 CFR 273.14(e)(2)(ii).

4. Expedited Service

Section 11(e)(2) of the Act, 7 U.S.C. 2020(e)(2), states that when a household contacts a food stamp office to make a request for food stamp assistance, it shall be permitted to file an application form. There is no distinction made in the law between an application for initial certification and an application for recertification. Section 11(e)(9) of the Act, 7 U.S.C. 2020(e)(9), requires State agencies to provide coupons within five days after the date of application to destitute migrant or seasonal farmworkers, households with gross incomes less than \$150 a month and liquid resources that do not exceed \$100; homeless households; and households whose combined gross

income and liquid resources are less than their monthly rent, mortgage and utilities. Since implementation of the expedited service provision of the Act, questions have arisen concerning whether expedited service requirements apply at recertification.

Nothing in the legislative history of the Act gives any indication as to whether Congress intended households eligible for expedited service to receive such service every time they are certified for the Program, only at initial certification, or when there has been a break in benefits. We originally interpreted the Act and regulations to require that expedited service screening requirements apply only at initial certification. Since the law makes no distinction between applications for initial certification and recertification, we have concluded that expedited service provisions should apply to all households at recertification. This policy was prompted by the realization that some households that move between the last time they were certified and the date of their required recertification might not receive uninterrupted benefits. We believe it was the intent of Congress to provide expedited service when a household would not receive its next allotment by its next normal issuance cycle.

Many State agencies have argued that expedited service at recertification is detrimental to recipient households because it interferes with their normal issuance cycle. Instead of receiving their benefits at the usual time each month, households recertified for expedited service often receive their benefits for the first month of the new certification period much earlier than normal. The next month they have to wait longer to receive benefits. In addition, to obtain expedited benefits, some households have to pick up their coupons at their local assistance office instead of having them mailed, which is an inconvenience to the household. We have determined that because of the requirements of Section 11(e)(2) of the Act, households may not be asked to waive their right to expedited service. Therefore, State agencies are not allowed to mail expedited issuance coupons, even at the household's request if such action would result in failure to meet the fiveday requirement for delivery of benefits.

State agencies have also argued that expediting issuance for households at recertification leads to an increased administrative burden. In some States, more than 50 percent of participating households now meet the criteria for expedited service. This has placed a tremendous burden on State agencies experiencing severe budgetary

constraints, making it difficult for them to meet the 30-day and 5-day requirements for initial applications. State agencies argue that applying expedited screening requirements at recertification only increases the application processing problem without providing a substantial benefit to most households.

In light of the issues discussed above, we have again reexamined our policy and have concluded that not all households must receive expedited service at recertification. Section 11(e)(4) of the Act, 7 U.S.C. 2020(e)(4), states that households that apply in a timely fashion must receive their benefits no later than one month after the receipt of their last allotment. We believe that this provision of the law, which ensures that a household that punctually applies for recertification will continue to receive its benefits in its normal issuance cycle, should take precedence over the requirement for

expedited service.

We are proposing, therefore, to amend the regulations by including a new section, 7 CFR 273.14(f), which will clarify that households which punctually apply for recertification, or who apply late but within the certification period, are not entitled to expedited service. However, households which do not apply for recertification until the month after their certification period ends are entitled to expedited service if they are otherwise eligible for such service. A conforming amendment to 7 CFR 273.2(i)(4)(iv) is also proposed.

Retrospective Suspension—7 CFR 273.21(n)

Current regulations at 7 CFR 273.21(n) allow State agencies the option of suspending issuance of benefits to a household that becomes ineligible for one month. State agencies that do not choose suspension must terminate a household's certification when it becomes ineligible, and the household must reapply to reestablish its eligibility for the Program. Current regulations at 7 CFR 273.21(o) provide that when a household is suspended based on prospective ineligibility, the State agency shall not count any noncontinuing circumstances which caused the prospective ineligibility when calculating the household's benefits retrospectively in a subsequent month.

The need for suspension typically occurs when a household paid weekly (or biweekly) receives an extra check in a month with five (or three) paydays. Under current policy, State agencies which opt to suspend rather than terminate a household's participation