

111<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1609

To amend the Food Security Act of 1985 to require the Administrator of the Internal Revenue Service to verify income for purposes of determining the eligibility of persons for certain Department of Agriculture payments and benefits, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 19, 2009

Mr. KIND (for himself and Mr. FLAKE) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Food Security Act of 1985 to require the Administrator of the Internal Revenue Service to verify income for purposes of determining the eligibility of persons for certain Department of Agriculture payments and benefits, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

1 **SECTION 1. AMENDMENTS TO REQUIRE NEW PENALTIES**  
2 **AND ADMINISTRATOR VERIFICATION OF ELI-**  
3 **GIBILITY FOR SUBSIDY PROGRAMS.**

4 (a) **ADDITION OF REPAYMENT PENALTY.**—Section  
5 1001B of the Food Security Act of 1985 (7 U.S.C. 1308–  
6 2) is amended—

7 (1) in subsection (b), by striking “the Secretary  
8 may for a period not to exceed 5 crop years deny the  
9 issuance of payments to the person or legal entity.”  
10 and inserting “the Secretary shall for a period not  
11 less than 5 years, or permanently, deny the issuance  
12 of payments to the person or legal entity.”;

13 (2) by redesignating subsections (e) through (e)  
14 as subsections (d) through (f), respectively; and

15 (3) after subsection (b), by inserting the fol-  
16 lowing new subsection:

17 “(c) **REPAYMENT.**—If a person or legal entity is de-  
18 termined under subsection (d) of section 1001D to be in-  
19 eligible for benefits or payments, the person or legal entity  
20 shall reimburse the Secretary for the full amount of any  
21 benefit or payment described in subsection (b) of such sec-  
22 tion that the person or legal entity has already received  
23 while the person or entity was ineligible.”.

24 (b) **ADDITION OF INCOME VERIFICATION AND EN-**  
25 **FORCEMENT PROCEDURES.**—Section 1001D of the Food  
26 Security Act of 1985 (7 U.S.C. 1308–3a) is amended by

1 striking subsection (d) and inserting the following new  
2 subsection:

3 “(d) INCOME VERIFICATION AND ENFORCEMENT.—

4 “(1) SUBMISSION TO ADMINISTRATOR.—Within  
5 30 days after receiving an application from a person  
6 or legal entity for a benefit described in subsection  
7 (b), the Secretary shall request the Administrator of  
8 the Internal Revenue Service (referred to in this  
9 subsection as the ‘Administrator’) to verify the aver-  
10 age adjusted gross income, average adjusted gross  
11 farm income, and average adjusted gross nonfarm  
12 income of the person or legal entity. The request for  
13 verification shall include the following:

14 “(A) The name of the person or legal enti-  
15 ty.

16 “(B) The social security number or em-  
17 ployer identification number of the person or  
18 legal entity.

19 “(C) Any other information that the Sec-  
20 retary determines to be relevant in assisting the  
21 Administrator in verifying the average adjusted  
22 gross income, average adjusted gross farm in-  
23 come, and average adjusted gross nonfarm in-  
24 come of the person or legal entity.

1           “(2) ADMINISTRATOR DETERMINATION AND DE-  
2           NIAL OF BENEFITS.—

3           “(A) ADMINISTRATOR DETERMINATION.—  
4           Not later than 30 days after the receipt of a  
5           verification request under paragraph (1) or a  
6           request of redetermination under paragraph  
7           (3), the Administrator shall—

8                   “(i) determine whether the average  
9                   adjusted gross income, average adjusted  
10                  gross farm income, and average adjusted  
11                  gross nonfarm income of the person or  
12                  legal entity is within the applicable limita-  
13                  tions established under subsection (b); and

14                   “(ii) notify the Secretary of the re-  
15                  sults of such determination.

16           “(B) DENIAL OF BENEFITS.—Subject to  
17           paragraph (3), if the Administrator determines  
18           under subparagraph (A) that a person or legal  
19           entity does not comply with the applicable limi-  
20           tations set forth in subsection (b), the Secretary  
21           shall deny the issuance of applicable payments  
22           and benefits specified in subsection (b) to the  
23           person or legal entity, under similar terms and  
24           conditions as described in section 1001B.

1           “(3) FARM SERVICE AGENCY RECONSIDERATION  
2           FOR INELIGIBLE APPLICANTS.—

3           “(A) SUBMISSION OF EVIDENCE TO FARM  
4           SERVICE AGENCY.—A person or legal entity  
5           subject to denial of benefits under paragraph  
6           (2) may request a reconsideration of the denial  
7           by the Farm Service Agency office serving the  
8           location in which the person or legal entity re-  
9           sides or operates. The person or legal entity  
10          shall submit evidence, accompanied with a cer-  
11          tification by a certified public accountant, to  
12          support the claim that the person or legal entity  
13          satisfies the income eligibility requirements  
14          under subsection (b).

15          “(B) SUBMISSION OF EVIDENCE TO AD-  
16          MINISTRATOR.—If the Farm Service Agency de-  
17          termines that the claim of the person or legal  
18          entity is supported by the evidence submitted  
19          under subparagraph (A), the Secretary shall  
20          submit the evidence to the Administrator for a  
21          second determination under paragraph (2)(A).

22          “(C) TIME REQUIREMENT.—The Farm  
23          Service Agency shall make the determination in  
24          subparagraph (B) within 30 days after the date

1           on which the person or legal entity submits the  
2           evidence under subparagraph (A).

3           “(4) LIMITATION ON REDETERMINATION.—A  
4           person or legal entity may not apply for more than  
5           one redetermination, as described under paragraph  
6           (3), a calendar year.”.

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