

Opinion No. 221.**State Examiner—Food Stamps—Cash.**

HELD: Food stamps held by the State Treasurer and by the county treasurers in any available surplus fund may be considered as cash.

March 28, 1940.

Hon. W. A. Brown
State Examiner
The Capitol

Dear Mr. Brown:

You have submitted for my opinion the question whether you may set up as cash Food Stamps issued by the Federal Surplus Commodities Corporation, when held by county treasurers in the general fund, sinking fund or some other fund in which there is an available surplus, or by the state treasurer.

Food stamps are authorized and issued by the United States through the Secretary of Agriculture as a medium of exchange for food. Such stamps are issued through the State Department of Public Welfare to persons who may be eligible for relief. While such persons are not compelled to purchase such food stamps, if they do purchase them, their food purchasing power is increased fifty per cent by reason of the fact that for every two stamps purchased, one stamp is issued free. Thus, for two dollars a person is able to purchase three dollars worth of food.

It is obvious that the food stamp plan will be of great benefit to the man on relief, for he will be able to acquire for himself and family fifty per cent more food. Their health will be immeasurably improved thereby. It will also be of great benefit to the farmer and producer for they will be able to dispose of their surplus products at profitable prices. Likewise, the merchants in selling more food products at fair prices, rather than in a depressed market, will also benefit.

In order to place the plan in operation in this state it is necessary that the state, through its counties, furnish the food stamps to the persons on relief who desire to purchase them. The State Department of Public Welfare does not have funds available for this purpose. Therefore, it is necessary to set up a revolving fund in each county desiring to furnish food stamps to persons on relief. The stamps are purchased by the latter and used by them to purchase food. The merchants, in turn, cash them through the governmental agencies set up for that purpose.

Thus food stamps are the same as cash. They serve as money in the hands of persons entitled to them. County treasurers and the state treas-

urer may at any time immediately convert them into United States currency. Neither the state nor the counties can sustain any loss, whatever, for the surplus in any fund is immediately available whenever it is needed. Moreover, such funds, or part thereof, in food stamps, will be duly protected by county and state treasurers' official bonds.

It is my opinion that a liberal and common sense construction of the law will permit you to consider as cash food stamps held by the state treasurer and by the county treasurers in any available surplus fund.