

Food Stamp Reauthorization: What Research Can Tell Us

Moderator: Sue Hall, Deputy Division Director, Michigan Family Independence Agency

Speaker: Steven Carlson, Director, Family Programs Staff, Office of Analysis, Nutrition and Evaluation USDA, Food and Nutrition Service

Steve highlighted successes of the Food Stamp Program (FSP). They include:

- The program feeds millions of hungry people everyday. Research shows that Food Stamps increases a household's food expenditures by 17 to 47 cents on the dollar while cash assistance increases a household's food expenditures by 5 to 13 cents.
- Participation in the program improves nutrient availability. Households participating in the FSP have better food energy intake than comparable households not participating do. However, the need for nutrition education in the program remains.
- The Program has the ability to expand and contract when needed. The last 30 years of participation clearly shows this. Steve displayed a graph demonstrating how FSP participation has increased over the years in times of recession and decreased during times of prosperity. The FSP also serves as an economic stimulus during economic downturns.
- The program delivers billions of dollars of benefits every year with considerable accuracy. The national error rate in FY 2000 was the lowest in years. The error rate is still a concern, however, research also shows that 98% of the households receiving too many benefits were actually eligible to some benefits.

While the FSP has shown success, the world around it has changed drastically. There has been a sharp drop in welfare rolls. In the year 2000, the FSP served more families who were working than who were on welfare.

The FSP participation rate dropped drastically in the late 90's. Participation is down in all groups, but some are more striking than others. Some of the sharper drops include households eligible to a smaller benefit; households with earnings; and noncitizen households with eligible children.

Research indicates that barriers to the program include vehicle and asset limits; multiple required trips to the food stamp office and time to complete the process; lost work time and out of pocket expenses.

The challenge is to improve the program and support work while maintaining program integrity. The question is how to simplify the program while still targeting those most in need. The Lugar Bill includes simplifications, but it still leaves the structure of tailoring benefits intact. However, it does offer the opportunity to test a restructuring of the program in up to 5 states as Demonstration projects.

The FSP is still important because hunger and food insecurity exists in the country. The role of the FSP is still vital and perhaps next year we can discuss the impact reauthorization had on it.