

OUTCOMES: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

The Supplemental Nutrition Assistance Program (SNAP) is a federal program that provides nutritional assistance for qualifying low-income individuals and families. The SNAP benefit formula makes up for the difference between 30 percent of a family's income and the amount needed to meet the US Agriculture Department's Thrifty Food Plan. SNAP is an entitlement, meaning that the program expands or contracts to serve all qualified recipients. The average SNAP recipient received about \$127 a month, or about \$4.23 a day, in FY 2015. In January 2016, about one in seven people, more than 44 million people in total, in the U.S. received SNAP and about one in ten recipients were unemployed or underemployed.

For a helpful guide from the Center on Budget and Policy Priorities (CBPP), click here.

Who benefits?

SNAP helps families temporarily while they get through hard times. Of participants between 2008 and 2012, 26% left the program within four months, 52% left the program within 12 months and 67% left the program within 24 months. For families with children, the typical amount of time on SNAP is more than 51 months.

Most SNAP recipients are elderly, disabled, and/or have children. Close to 70% of participants are in families with children, and more than 25% live in households with senior citizens or people with disabilities.

SNAP recipients are: 43% white, 33% African American, 19% Hispanic, 2% Asian, and 2% Native American.

SNAP recipients work. Some have argued that SNAP reduces work incentives; however, <u>data and research</u> suggest these concerns are misguided. The vast majority of SNAP recipients are individuals who are either working, are looking for work, are unable to work, or are not expected to work. More than 50% of households with at least one work-age, non-disabled adult worked while receiving SNAP with more than 80% working in the year prior to or after receiving SNAP. In families with children more than 60% work while receiving SNAP, with almost <u>90% working</u> in the year prior to or after receiving benefits.

SNAP Benefits are at Risk

For state-by-state data from CBPP, visit this link.

The House FY 2017 Budget would cut SNAP funding by \$150 billion — more than 20% — over 10 years. As 93% of SNAP funding went directly to SNAP benefits in 2015 (not even including the funding that went to other food assistance programs), a funding slash of this size would mean ending food assistance for millions of low-income households. If these spending decreases are achieved through eligibility cuts, an average of 10 million people will be removed from the program each year between 2021 and 2026, as the SNAP income limit would have to change from 130% of the poverty line (current level) to 68% of the poverty line. If instead the cuts came from decreases in benefits, states would have to cut an average of more than \$40 per person per month in 2021 to 2026, which would lower benefits to 77% of the Thrifty Food Plan, the USDA's cost of a bare-bones diet.

The House plan would also block-grant SNAP funding starting in 2021. This means the aforementioned cuts may be underestimates, as block-granting the program would prevent it from expanding automatically during times of economic downturn or natural disaster. For example, CBPP estimates that if SNAP had been block-granted at 2007 funding levels during the recession, federal funding in 2013 would have been about 50% lower than it actually was (excluding the benefit boost from the Recovery Act).

Even absent cuts, the Thrifty Food Plan that SNAP benefits are based off of is inadequate. According to CBPP, the Thrifty Food Plan <u>makes unrealistic assumptions</u> about the availability and affordability of food, lacks the variety needed for a healthy diet, and does not fully account for geographic differences in food prices. A Children's HealthWatch study in 2008 <u>found that</u>

the actual average monthly cost of the Thrifty Food Plan was 39% higher than the maximum monthly SNAP benefit for a family of four in Boston, and 49% higher in Philadelphia.

More than 500,000 adults will lose SNAP benefits in 2016. The 1996 welfare law limits adults who aren't disabled or raising minor children to three months of SNAP benefits in any 36-month period unless they are employed or in a work or training program for at least 20 hours a week. During the recent recession, certain states qualified to waive the time limit due to high unemployment rates; however, many of these waivers are set to expire this year, even when the state operates few or no employment programs and fails to offer individuals spots in work or training programs. The time limit also occurs irrespective of whether the individuals are diligently searching for a job. The expiration of these waivers in 2016 will see more than 500,000 and as many as 1 million of the nation's poorest people being cut off from sorely needed SNAP benefits over the course of 2016.

Why it Matters: Good Outcomes of SNAP

Many of these outcomes were compiled by our member organization, the Food Research & Action Center. See their fact sheet here.

SNAP reduces poverty, both immediately and later in life.

- According to data that accounts for the underreporting of SNAP in Census data, SNAP lifted 10.3 million Americans above
 the poverty line in 2012, including 4.9 million children. Census Bureau data that do not account for unreported benefits still
 show that SNAP reduced the poverty rate by 1.4 percentage points in 2015. This effect is especially poignant for children:
 SNAP benefits reduced the child poverty rate by 2.7 percentage points in 2015.
- Exposure to SNAP in utero or early childhood <u>reduces the incidence</u> of metabolic syndrome in adulthood, and receipt of SNAP benefits as a child markedly <u>increases economic self-sufficiency</u> later in life.

SNAP improves food security and health.

- The temporary increase in SNAP benefits in 2009 reduced <u>food insecurity</u> among adults and children by 2.2% and reduced very low food insecurity by 2%. One particularly rigorous estimate that corrects for the documented underreporting of SNAP participation found that SNAP reduces childhood food insecurity by at least 8.1%.
- In a 2014 study that controlled for household characteristics, food insecurity among children <u>decreased by almost 40%</u> after their families had been receiving SNAP benefits for 6 months.
- The odds of being food secure two years later are almost <u>four times as high</u> for SNAP participants compared to non-participants, according to research tracking individuals over decades.
- SNAP decreases <u>child obesity</u> among girls, when compared to non-participating food-insecure girls. Long-term participation is also associated with lower BMI, when comparing 6 month participants to participants enrolled for less than 6 months.
- Young children enrolled in SNAP <u>have lower rates of nutritional deficiency</u> than low-income non-participants, with each additional SNAP dollar increasing a household's score for overall dietary quality.
- SNAP recipient children of immigrant mothers are more likely to be in good or excellent health and to live in food secure
 households. Their families are less likely to have to make <u>health care trade-offs</u> such as paying for health care instead of
 food when compared to income eligible non-participants

SNAP is cost-effective and benefits local economies.

- SNAP is good for local economies, as every \$5 in new SNAP benefits generates as much as \$9 of economic activity.
- SNAP is efficient and works because of its extensive quality control system: the amount of SNAP payments that were overpayments or went to ineligible households was 2.96% in FY 2014, well below historic levels, and the USDA has cut the illegal practice of trafficking (the sale of SNAP benefits for cash) by three-quarters over the last 15 years.
- According to CBPP, SNAP benefits are one of the most efficient forms of economic stimulus, as low-income households generally spend all of their incomes on daily needs. About 80% of SNAP benefits are redeemed and put back into the economy within two weeks, and 97% are redeemed within a month.
- The argument that SNAP should be block-granted is <u>based on false assumptions</u>. SNAP spending as a share of the economy fell <u>by 11% in 2014 and 4% in 2015</u>, as previous increases were a temporary result of the recession. SNAP spending as a share of GDP is projected to fall to 1995 levels by 2020, and thus is not contributing to long-term budgetary pressures.