

FOOD STAMPS: THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

WHAT IS THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM?

The Supplemental Nutrition Assistance Program (SNAP) is the federal aid program commonly known as food stamps. The program is intended for low-income, young, and elderly American families. In April 2015, there was an average of 46 million people in 22 million households receiving SNAP benefits. The federal government runs SNAP in partnership with the states. The Food and Nutrition Service of the U.S. Department of Agriculture administers the program, and individual state governments distribute the benefits. Each shares part of the costs.

Every five years, the legislation that sets agricultural policy in the United States, dubbed the Farm Bill, must be reauthorized. Even though SNAP has little to do with farm programs, Congress rolled these massive programs together to secure votes and shield these programs from much-needed reform. In 2015 and for the next 10 years, the SNAP will compromise 79% of allocated Farm Bill spending (10).

HOW DO HOUSEHOLDS QUALIFY FOR SNAP BENEFITS?

There are two ways to qualify for the program: 1. meeting federal eligibility requirements, or 2. being automatically or “categorically” eligible by qualifying for a different specified low-income assistance program. In the first way, under regular federal rules, households are eligible for SNAP based on low income and limited assets (2). Households must have net income below 100% of the federal poverty guidelines; those without an elderly or disabled member must have gross income below 130% of the federal poverty guidelines (3,4). In addition, a household’s liquid assets must be below \$2,000; households with an elderly or disabled member must be below \$3,250 (5).

In the second way, under “categorical” eligibility, a household qualifies for SNAP benefits because it qualifies for some other specified low-income program. Households that have categorical eligibility for SNAP are not subject to asset tests. For example, a state government may give households as little as \$1 a year in heating assistance under Low Income Home Energy Assistance Program (LIHEAP), so that they may be eligible for SNAP benefits (6).

BALLOONING IN SIZE AND COST

SNAP’s costs have grown out of control in recent years, with the federal government spending four times more on SNAP today than it did in 2000. Only 1 in 50 Americans received food stamps in the 1970s; today nearly 1 in 7 does (7). From 2008 to 2015, the number of beneficiaries increased by 16 million Americans from 30 million to 46 million. During this period, the total of the cost of the program rose 101 percent (8). Part of this growth is due to increased public assistance during the recent recession, but much more is due to excessive easing of the program’s eligibility criteria.

QUICK FACTS

- The Supplemental Nutrition Assistance Program cost over \$74 billion in fiscal year 2015 (9). This is double the amount it cost in year 2008.
- Only 1 in 50 Americans received food stamps in the 1970s; today nearly 1 in 7 does.

NOTABLE & QUOTABLE

“While food stamps are ... an important part of the American safety net, the program is no longer fulfilling its intended purpose. Over the decades, the restrictions on food stamp purchases have been lightened dramatically ... While we need to protect those falling on hard times, we also must take care to avoid teaching dependence and encouraging behavior that reduces one’s ability to delay gratification and earn success.”

- **Arthur Brooks**, President, American Enterprise Institute (1).

DUPLICATIVE OF OTHER NUTRITION ASSISTANCE PROGRAMS

The USDA runs several other programs to help feed the poor that are unrelated to SNAP. Most of these programs are found in the Agriculture Appropriations bill, which is authorized every year. These nutrition programs are often criticized for being duplicative. One of these is the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), which is targeted to low-income pregnant women, breastfeeding women, and infants and children under the age of five. Another program is the Commodity Assistance Program, which is criticized for doing more to prop up prices for politically-connected commodity producers than it does to serve the needy.

CONCLUSION

Some U.S. households are truly disadvantaged and vulnerable, and there is a role for government to provide a basic safety net. However, SNAP has strayed from its stated goal of benefiting the truly needy.

Endnotes:

1. <http://arthurbrooks.aei.org/2012/05/18/the-41-cake-and-delayed-gratification/>
2. The value of the home and certain other forms of assets (e.g., retirement and educational savings) are excluded from asset tests.
3. Net income equals income after specified deductions.
4. Gross income equals income before deductions.
5. Congressional Research Service. (July 17, 2012) "The Supplemental Nutrition Assistance Program: Categorical Eligibility." <http://www.fas.org/sgp/crs/misc/R42054.pdf>
6. Associated Press. (July 6, 2012). "House farm bill cuts billions:" <http://www.columbiatribune.com/news/2012/jul/06/house-farm-bill-cuts-billions/>
7. Veronique de Rugy. (June 29, 2012) "The great Bush-Obama food stamp expansion:" Washington Examiner. <http://washingtonexaminer.com/the-great-bush-obama-food-stamp-expansion/article/2500895>
8. AFP analysis of USDA data.
9. SNAP Summary from USDA: <http://www.fns.usda.gov/sites/default/files/pd/SNAPsummary.pdf>
10. CBO scoring of Farm Bill for 2014-2023 <http://cbo.gov/sites/default/files/cbofiles/attachments/hr2642LucasLtr.pdf>

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