

THE DECLINE IN FOOD STAMP PARTICIPATION: A REPORT TO CONGRESS

Office of Research and Analysis

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Summary

Over the last decade, food stamp participation rose more sharply than expected following the relatively short and mild recession in the early 1990s and fell more sharply than expected after 1994 during the sustained period of economic growth. Report language accompanying the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of 2001 directed the Food and Nutrition Service to study the decline in participation in the Food Stamp Program.

About a third of the total decline occurred because rising income and assets lifted people above the program's eligibility limits. Another 8% of the decline reflects the direct effect of welfare reform's changes to Food Stamp Program eligibility rules, which restricted eligibility for non-citizens and limited the time during which able-bodied adults without dependents could receive benefits.

The remainder of the decline – just over half – occurred because fewer eligible individuals participated in the program. The way in which welfare reform was implemented likely played a role in the fall in food stamp participation among eligibles. Confusion and a lack of awareness about program rules also are likely to have played a role. Individual choices about the need for food stamp benefits also may have contributed to the fall in participation among eligibles.

It appears that the majority of those no longer participating in the Food Stamp Program fare about the same or somewhat better, but some encounter continued difficulty in meeting basic needs. Over half of food stamp leavers are working, and employment rates are higher among former welfare recipients than among other low-income families. About a quarter of food stamp leavers say they turned to a food pantry or soup kitchen in the past year for assistance.

Demand on food pantries and soup kitchens has risen modestly. Most providers say they can cope with current demand and meet a small increase in future demand. A nationally representative survey indicates that demand on emergency food providers has risen by four to five percent each year since 1997. However, a smaller group of providers report that they are either unable to meet current demand or perceives unmet need for other services in their communities. The relationship between falling food stamp participation and increases in demand on food pantries and soup kitchens remains unclear, however.

At the broadest level, the picture that emerges from this report is that food security has been increasing in the United States in recent years, yet some individuals still have difficulty meeting their basic needs. Some of the factors that affect food stamp participation can be influenced by government action, if policy makers so choose. In particular, closer examination of both TANF and food stamp administrative practices may be warranted to ensure that food stamps can effectively support families making the transition to work.

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