

Answering Tough Questions on SNAP

CLAIM: “SNAP is growing out of control.”

HOW TO REFRAME IT:

- The issue isn't SNAP; it's America's struggling economy. Like unemployment insurance, SNAP is a part of our response to the downturn and an economic recovery strategy that's helped ensure millions of Americans—including children, seniors and veterans – haven't gone hungry during the downturn as families strive to get back on their feet.
- SNAP is a vital tool for empowering Americans in a challenging economy, not a factor in the nation's long-term fiscal challenges. Costs will continue to shrink as the economy improves and people are empowered to do exactly what every American aspires to do: Put food on their own table again.

SUPPORTING FACTS

- The recent trends in SNAP are *temporary*. The nonpartisan Congressional Budget Office (CBO) predicts that SNAP spending will fall to 1995 levels as a share of gross domestic product (GDP) by 2019. On the facts, it's not even a close call: SNAP is not contributing to the nation's long-term fiscal problems.
- The recession increased the number of eligible households, driving the recent urgent caseload expansion. It's common sense: During economic downturns, more people turn to SNAP (and as the economy improves, SNAP participation decreases). Economic hardship increased substantially between 2007 and 2011, resulting in more households qualifying for the program. And, the deep and prolonged nature of the recession has led to unprecedented levels of long-term unemployment, extending the length of time that unemployed individuals have needed SNAP. SNAP enrollment growth slowed in 2012, however, as the economy began to recover.
- Largely as a direct result of the 2008 financial crisis, millions of Americans are struggling. 48.5 million Americans had incomes below the poverty line in 2011. 11.3 million remain out of work, 4.3 million of which have been out of work for six months or more. There are about 3 unemployed individuals for every new job.

CLAIM: “We need reasonable work requirements for SNAP recipients.”

HOW TO REFRAME IT:

- SNAP already does better than “reasonable” work requirements; SNAP already has a very hard and strict work requirement for childless unemployed adults. These individuals can only receive SNAP for three months out of every three years unless they are working 20 hours per week or more. Governors can waive the limit in areas with high unemployment, like those the current economy has exacerbated.
- To reduce the number of people in need of food assistance, we need a stronger economy where most people who are able to work can find jobs and provide for their families. SNAP is a powerful tool for getting Americans back on their feet, and a steppingstone to economic recovery for millions of people and families. Ironically, punishing these Americans by taking food away from their families seems more likely to undermine their efforts to get back on their feet.
- The proposal by House Republican leaders would cut food assistance to people who are looking for, but cannot find, jobs, and in some cases, their children. Their focus should be on improving the economy, not taking food off of American's tables.

SUPPORTING FACTS:

- SNAP has had more-than-reasonable work requirements for years: participants must register for work, accept any job offer and participate in workfare or training programs if it is offered to them. If the individual fails to comply, he or she can have benefits cut or be terminated. People who quit a job are automatically disqualified from SNAP. States may also compel work registrants to participate in job training. Individuals who fail to participate automatically lose their SNAP benefits.

CLAIM: “Loopholes allow people to enroll even though their income exceeds the normal limit”

HOW TO REFRAME IT:

- We need to address loopholes or other areas of concerns when we find them. The original House Agriculture Committee bill and the Senate-passed bill contain some common sense reforms that would prevent lottery winners from receiving SNAP, tighten up on college students abusing the system, prevent states from leverage utility deductions for those without utility expenses, and make sound new investments in anti-fraud strategies.
- Some members of Congress, however, are labeling important options and key state flexibilities as loopholes.
 - Congress, as a part of the 1996 welfare law, gave states the option to align SNAP eligibility rules with programs funded under the TANF block grant. This flexibility, called “categorical eligibility” helps states streamline rules and extend SNAP, based on demonstrated need, to some working poor families and seniors.
 - Eliminating this option, used by over 40 states, would cut nearly 2 million, qualified, low-income people off the program.
- Children’s access to free school meals would also be reduced. Many of those cut off would be low-income working families with children. In addition, many children would lose more than the food on their tables at home purchased with SNAP — according to CBO’s estimates from last year, 210,000 children in these low-income families also would lose the free school meals they need in order to learn, thrive and succeed in the classroom.

SUPPORTING FACTS:

- Categorical eligibility does *not* result in substantial SNAP benefits going to non-needy families. In 2011, *only 2 percent* of SNAP households had monthly disposable income above 100 percent of the poverty line. In other words, with the categorical eligibility option in place, *the vast majority of all SNAP households have disposable income that leaves them in poverty.*
- Categorical eligibility doesn’t not allow states to give SNAP benefits to anyone. All applicants for SNAP must go through a strict and rigorous assessment of their eligibility – a process that can take two trips to a local welfare office and hours of effort to supply the needed verification and participate in the required interview.
- About nine of every ten dollars in SNAP benefits under this option are provided to low-income working households. About eight of every ten such dollars in benefits go to families with children. On average, the families above that gross income limit who qualify for SNAP as a result of categorical eligibility are families whose *combined child care and rent costs exceed half of their wages*, leaving them with inadequate resources for food.

CLAIM: “SNAP discourages work. It should be a safety net, not a hammock that supports people for not working.”

HOW TO REFRAME IT:

- Opponents claim SNAP discourages work and threatens the economic recovery -- and on both counts, they're flat-out wrong. Response:: SNAP is a powerful tool for accelerating the economic recovery and encouraging work -- empowering struggling Americans to put food on their tables as they seek new employment, send their children off to school, and get themselves back on their feet. The truth is: If opponents get their way and undermine SNAP, they will be responsible for hindering America's recovery from this historic recession and hindering SNAP participants return to work.
- Most SNAP recipients who can work, do so. Close to 60 percent of all households with at least one working-age nondisabled adult work while receiving SNAP. The overwhelming majority (almost 70 percent) of SNAP recipients are not expected to work, but for the most obvious and inarguable of reasons — primarily because they are children, elderly, or disabled.
- Many other SNAP recipients are unemployed and looking for work, but cannot find jobs because of the sluggish economy. SNAP antagonists and opponents are some of the most vocal regarding the pace of the economic recovery; it's ironic that these are the same people who fail to recognize the consequences of the economic crisis when it comes to SNAP and SNAP participants. SNAP provides a lifeline to keep food on the table both for themselves, and in many cases, for their children until they are able to find a job.

SUPPORTING FACTS:

- Most SNAP participants who can work, do so. Among SNAP households with at least one working-age, non-disabled adult, more than half work while receiving SNAP — and more than 80 percent work in the year prior to or the year after receiving SNAP. Of those who are not working, the majority-- 68 percent of SNAP recipients-- were children, elderly, disabled, or were caring for a disabled family member in their home or for a child under 6 where another household member was working. Children under the age of 18 constitute nearly half (45 percent) of all SNAP participants
- The share of SNAP households that work has risen steadily, further proof that SNAP is a powerful tool for getting Americans back on their feet during this difficult economic recovery. Over the last decade, the number of households that were working while receiving SNAP more than tripled. While many families on SNAP work, many others recently lost their jobs and rely on SNAP to feed their children while they look for work.

CLAIM: “I’m all for making sure the needy get food, but people who aren’t really hungry can get SNAP”

HOW TO REFRAME IT:

- The fact is that SNAP has one of the strictest and most rigorous quality control systems of any public benefit program. Fewer than 2 percent of SNAP benefits are issued to households that do not meet all of the program’s eligibility requirements, a record-low rate.
- SNAP goes to people who need it and is a powerful anti-hunger tool that helps put food on the tables of America’s most vulnerable people—including children, veterans, the disabled and seniors. It ensures children and seniors get the basic nutrition they need. By providing basic food assistance, SNAP helps

empower millions of Americans working to get back on their feet during this prolonged and challenging economic recovery.

- The bottom line is that cutting this critical food assistance, as some in Congress want to do, would cause hunger and threaten the economic recovery. Congress must not turn to the most challenged Americans in a misplaced and misguided effort to address our fiscal challenges.

SUPPORTING FACTS:

- The overwhelming majority of SNAP participants are poor families with children, seniors, or people with disabilities. Close to half of all participants are children, and over half of all non-elderly, non-disabled adult participants live with children.
- SNAP households have very low incomes. Over 80 percent of households that receive benefits have gross incomes below the poverty line (about \$23,000 for a family of four in 2012, and \$11,000 for a person living alone, such as an elderly widow), and almost all of the rest have incomes between 100 and 130 percent of poverty. Fewer than 5 percent (4.8 percent) of households have gross income above 130 percent of poverty; of those, over half contain individuals who are elderly or have a disability.
- Two of every five SNAP households have incomes below half of the poverty line (about \$9,545 for a family of three).
- Families with the greatest need receive the largest benefits. Over 91 percent of SNAP benefits go to households with incomes below the poverty line, and 55 percent goes to households with incomes below half of the poverty line (about \$9,500 for a family of three).
- SNAP plays a major role in addressing poverty. By providing benefits that must be used to purchase food, SNAP can be an important part of a low-income household's budget. A CBPP analysis using the Supplemental Poverty Measure, which counts SNAP as income, found that SNAP kept about 4.7 million people out of poverty in 2011, including about 2.1 million children.

CLAIM: "Fraud, waste and abuse! Fraud, waste and abuse!"

HOW TO REFRAME IT:

- The truth is, SNAP has one of the most rigorous quality control systems and some of the highest standards of any public benefit program. There is very little waste, fraud or abuse of SNAP. Fewer than 2 percent of SNAP benefits are issued to households that do not meet all of the program's eligibility requirements, a record-low rate.
- Almost 95 percent of SNAP funding goes directly to food benefits for people who would otherwise go hungry. There is very little overhead, and SNAP is exceeding the low-overhead standards we often see in private corporations and private-sector entities and organizations.
- Rather than target America's most vulnerable people, Congress should focus on closing corporate tax loopholes that unfairly benefit wealthy Americans and big corporations.

SUPPORTING FACTS:

- SNAP achieved its lowest error rates on record in fiscal year 2011, even as caseloads were rising and administrative resources were strained. SNAP has one of the most rigorous payment-error measurement systems of any public benefit program, and one of the best records of accuracy in providing benefits only to eligible households of any government program.
- SNAP compares favorably to other programs. The Internal Revenue Service estimates a tax noncompliance rate of 16.9 percent in 2006 (the most recently studied year). This represents a \$450

billion loss to the federal government in one year. Underreporting of business income alone cost the federal government \$122 billion in 2006, and small businesses report less than half of their income.

- There is little overhead. Almost 95 percent of federal spending on SNAP goes toward providing benefits to eligible households to purchase food. Most of the remaining 5 percent goes toward administrative costs, including reviews to determine that applicants are eligible, monitoring of retailers that accept SNAP, and anti-fraud activities. This is the kind of low-overhead America's private sector envies.
- There is very little trafficking. Despite the current trajectory of the program, only 1.3 percent of total SNAP benefits are trafficked, or sold by participants for cash or items that cannot be purchased with SNAP benefits, according to the most recent report from USDA. Rates of trafficking have declined over time from nearly 4 percent of total SNAP benefits in the 1990s.