Testimony of James Weill President, Food Research and Action Center Before the Subcommittee on Nutrition of the House of Representatives Committee on Agriculture Hearing on The Past and Future of SNAP: Developing and Using Evidence-Based Solutions July 15, 2015

Thank you for the invitation to testify this afternoon.

I am Jim Weill, President of the Food Research and Action Center (FRAC). FRAC works through research, advocacy, outreach, and identification and dissemination of best practices to reduce poverty and end hunger in America. For 45 years FRAC has been engaged in efforts to implement and strengthen the SNAP (formerly "food stamp") program in order to reduce hunger and improve nutrition; and I personally have been involved in work around SNAP and other key means-tested programs like Medicaid, Supplemental Security Income, and school meals since the 1970s, in jobs at the Legal Assistance Foundation of Chicago, the Children's Defense Fund, and – since 1998 – FRAC.

I will be primarily discussing today the rich veins of evidence showing how successful SNAP is in reducing hunger, malnutrition and poverty, and improving family security, child and adult health, employment and other outcomes. In discussing what research to undertake and which evidence-based solutions to pursue, it is crucial to understand the substantial body of first-rate evidence on the program that already exists.

The evidence demonstrates that SNAP is a great example of how government at its best can work well for people. Senator Bob Dole, among others, described the Food Stamp Program as the most important social program advance since the creation of Social Security. That insight has since been buttressed by more and more evidence of SNAP's strengths and positive outcomes — outcomes that would be at deep risk if the program were weakened or if new demonstration projects or program changes were developed without understanding what we already know. SNAP is a key part of a safety net that not only reduces hunger but supports work, family stability, child development and opportunity. Damaging SNAP by building in ill-conceived changes based on misconceptions or stereotypes would result in irreparable harm to people who are trying desperately to put food on the table and to move out of poverty. SNAP is targeted and effective. It is a critical support to millions of poor and hungry people in our country.

The first and most significant set of findings is that SNAP fulfills its core purpose: it reduces food insecurity and malnutrition, and that result is crucially important to the nation as a whole and to every state and community. A number of studies, including many published in the last couple of years, find that participation in SNAP quite significantly reduces

the prevalence of food insecurity among households and among both adults and children in those households. One study showed that SNAP reduces the childhood food insecurity rate by at least 8.1 points.

As I will discuss in detail later, the effects of SNAP on reducing food insecurity would be much greater if monthly SNAP benefits were more adequate. But even with the constraint of benefits being too low, the program still has important impacts on reducing hunger and food insecurity.

Addressing hunger and malnutrition among low-income people is the core Congressional goal in SNAP, and it should be: reducing hunger must remain a paramount national goal. Food insecurity has a range of severe negative effects for children and adults. Food insecurity is associated with some of the most costly health problems in the United States, including diabetes, heart disease, depression, obesity, and pregnancy complications (e.g., gestational diabetes and iron deficiency). And among seniors, food insecurity has been linked with poor or fair health status, diabetes, anemia, depression, disability, limitations in daily activities, decreased quality of life, and lower intakes of calories and key nutrients. In addition, because of limited resources, individuals in food insecure households often are forced to choose food over medication, postpone preventive or needed medical care, dilute or ration infant formula, or forgo the foods needed for special medical diets (e.g., diabetic diets). Such practices and behaviors not only exacerbate disease and compromise health, but also increase expensive physician encounters, emergency room visits, and hospitalizations.

The consequences of food insecurity – and even marginal food security – are especially detrimental to the health, development, and well-being of children. Research shows a clear link between food insecurity and low birthweight, birth defects, iron deficiency anemia, more frequent colds and stomachaches, untreated dental caries, developmental risk, mental health problems, and poor educational outcomes for children – all of which have serious health and economic consequences in both the short term and long term.

As I will discuss, by reducing food insecurity, improving diets and connecting beneficiaries to food through normal means of commerce, SNAP has a range of proven positive effects on health, mental health, employability, and other desirable outcomes.

Moreover, in looking at these positive impacts, it is important to maintain focus on how broad and diverse is the population of people in need that SNAP serves and benefits:

- About 70 percent of SNAP recipients live in households with minor children;
- Eleven percent live in households with seniors;

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¹ For citations and additional studies on SNAP's role in reducing food insecurity, see FRAC's SNAP and Public Health: The Role of the Supplemental Nutrition Assistance Program in Improving the Health and Well-Being of Americans, as well as the April 2015 issue of Food Insecurity and Hunger in the U.S.: New Research, Both publications are available at www free organisms.

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For citations and additional studies on the consequences of food insecurity, see FRAC's SNAP and Public Health: The Role of the Supplemental Nutrition Assistance Program in Improving the Health and Well-Being of Americans, as well as the April 2014 and July 2014 issues of Food Insecurity and Hunger in the U.S.: New Research. These publications are available at www.frac.org.

- Eighteen percent live in households with people with disabilities;
- Many beneficiaries are struggling veterans; and even low-paid enlisted active duty military families participate; and
- When the adults in the household are not seniors or persons with disabilities, they typically are working at low wages or are recently unemployed. Among SNAP households with at least one working-age adult not receiving disability benefits, more than half have a member who works while receiving SNAP, and more than 80 percent work either in the year prior or the year after receiving SNAP. The rates are even higher for SNAP households with children.³

SNAP is also there when natural disasters like hurricanes, tornadoes and floods strike. Indeed in 2005, in a report from President Bush's White House on government action in the aftermath of Hurricanes Katrina, Rita and Wilma, the Disaster SNAP program was singled out for its responsiveness and effectiveness.

And, as we have learned most profoundly in the Great Recession, SNAP is appropriately and effectively responsive to national – or regional or local – economic downturns, when joblessness rises, and wages and hours for workers who hang on to their jobs often are reduced.

These diverse groups of Americans – whether people with disabilities, seniors, low-paid working families, families facing unemployment, veterans or people affected by natural or man-made economic disasters – turn to SNAP when facing severe need. And their need is great. 83 percent of households on SNAP have incomes at or below the federal poverty line (\$19,530 for a family of three in 2013 – the year of this SNAP data analysis). Indeed, 58 percent of them have incomes at or below three quarters of the poverty line.

It is this intimate connection to great human need that explains the caseload trends. The weak performance of the economy in the years before the Great Recession, and then the huge pain of the Recession, were key drivers of SNAP participation growth. Even as employment now slowly recovers, moreover, the problem of low wages – for example, the federal minimum wage hasn't gone up since 2009 and in real, inflation-adjusted, terms is at only three quarters of the level typical in the 1960s and 1970s – means that more low-wage working families turn to SNAP for help. The weakening of other parts of the safety net – unemployment insurance, housing assistance, TANF, etc. – also causes an erosion of family incomes that increases the need for SNAP benefits.

There is an additional explanation for the widespread need, over time, for SNAP's help. The American economy operates in such a way that very large numbers of people cycle into and out of poverty, hunger and other hardship. Mark Rank, an expert on poverty at Washington

³ Rosenbaum, D. (2013). The Relationship Between SNAP and Work Among Low-Income Households. Center on Budget and Policy Priorities. Available at: www.cbpp.org/cms/?fa=view&id=3894.

⁴ Farson Gray, K. (2014). Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2013. Report No. SNAP-14-CHAR. Alexandria, VA: U.S. Department of Agriculture, Food and Nutrition Service, Office of Policy Support.

University in St. Louis, calculates that half of all children in the U.S. reside in a household that receives SNAP benefits at least once during their childhood,⁵ as do half of all American adults at some point between the ages of 20 and 65.⁶

And, contrary to stereotypes, these beneficiaries are as diverse as America – they come from all races and ethnic groups; they are rural, suburban and urban. They are as diverse as is American poverty and hunger. Indeed, rural food insecurity rates are higher than metro area rates; and food insecurity rates are roughly the same in every region of the country, albeit they are highest in the South.⁷

Let me return now to the many specific ways in which SNAP benefits struggling Americans.

SNAP not only reduces hunger, but it alleviates poverty and supports family economic stability. SNAP is as effective as low-income tax credits in lifting people out of poverty. According to a new analysis, SNAP lifted 10.3 million people above the poverty line in 2012, comparable to the number lifted out by the Earned Income Tax Credit and Child Tax Credit together. 4.9 million of those lifted out of poverty were children. And the SNAP program was far more effective than any other government effort (e.g., EITC/CTC; housing assistance; Supplemental Security Income; TANF), other than Social Security, in lifting people above half the poverty line.

In some state estimates of particular note for the subcommittee, SNAP lifted 224,000 people above the poverty line in Indiana; 913,000 in Texas; 342,000 in Pennsylvania, 141,000 in Massachusetts; 419,000 in Ohio; and 338,000 in North Carolina.⁹

SNAP also helps support families by improving housing security. Families receiving housing subsidies, SNAP, and WIC benefits are 72 percent more likely to be housing-secure (i.e., defined as living without overcrowding or frequent moves within the last year), compared to those families receiving housing subsidies alone. ¹⁰

And SNAP helps long-term economic security. In one seminal analysis published by the National Bureau of Economic Research, and looking at the long-term effects of SNAP, exposure to SNAP in early childhood increased women's economic self-sufficiency in terms of greater

⁵ Rank, M. R. & Hirschl, T. A. (2009). Estimating the risk of food stamp use and impoverishment during childhood. Archives of Pediatrics and Adolescent Medicine, 163(11), 994-999.

⁶ Rank, M. R. & Hirschl, T. A. (2005). Likelihood of using food stamps during the adulthood years. Journal of Nutrition Education and Behavior, 37(3), 137-146.

⁷ Coleman-Jensen, A., Gregory, C., & Singh, A. (2014). Household Food Security in the United States in 2013, ERR-173. Washington, DC: U.S. Department of Agriculture, Economic Research Service.

⁸ For citations and additional research on SNAP's role in alleviating poverty, see FRAC's SNAP and Public Health: The Role of the Supplemental Nutrition Assistance Program in Improving the Health and Well-Being of Americans at www.frac.org.

⁹ Sherman, A. & Trisi, D. (2015). Safety Net More Effective Against Poverty Than Previously Thought. Center on Budget and Policy Priorities. Available at: www.cbpp.org/research/poverty-and-inequality/safety-net-more-effective-against-poverty-than-previously-thought.

¹⁰ Sandel, M., Cutts, D., Meyers, A., Ettinger de Cuba, S., Coleman, S., Black, M. M., Casey, P. H., Chilton, M., Cook, J. T., Shortell, A., Heeren, T., & Frank, D. (2014). Co-enrollment for child health: how receipt and loss of food and housing subsidies relate to housing security and statutes for streamlined, multi-subsidy application. Journal of Applied Research on Children, 5(2), Article 2.

high school graduation rates (18 percent higher), higher earnings, and lower rates of welfare receipt in adulthood. 11

SNAP improves beneficiaries' dietary intake, health and well-being. ¹² Extensive research shows that SNAP improves dietary intake. And the higher the level of SNAP benefits is, the larger is the positive nutritional effect of program participation.

Numerous studies – many of them recent – demonstrate the favorable impact of SNAP participation on physical and mental health. Indeed, the notion that "food is medicine" is growing in resonance.

SNAP has a powerful impact on <u>child health</u>. Young children in food-insecure households that receive SNAP benefits are less likely to be at developmental risk, in fair or poor health, and overweight, and they have fewer hospitalizations than comparable non-participants. SNAP also has been linked with lower rates of nutrient deficiency and lower rates of failure to thrive among children.

SNAP improves <u>adult health</u> in terms of increasing the probability of reporting excellent or good health, as well as having fewer sick days and doctor's visits. In addition, exposure to SNAP *in utero* or in early childhood reduces the incidence of metabolic syndrome (obesity, hypertension, diabetes, heart disease) in adulthood.

On the other hand, a loss or reduction in SNAP benefits has detrimental impacts on health. Families with young children whose SNAP benefits were recently lost or reduced due to an increase in income have higher odds of poor child health and developmental risk, household food insecurity, forgoing medical care for family members, or making health care trade-offs (e.g., paying for health care costs instead of paying for food or housing).

SNAP is a public/private partnership that works efficiently and accurately. SNAP makes good use of regular channels of commerce – retail stores and Electronic Benefit Transfer (EBT) systems – rather than requiring constructing new, costly delivery systems. SNAP relieves pressure on overwhelmed food banks, pantries, religious congregations, and other emergency food providers across the country. They recognize SNAP as the cornerstone of national, state, and local anti-hunger efforts, and are the first to note their total inability to meet added demand that would come from weakening SNAP.

SNAP benefits create markets, economic growth and jobs in urban and rural communities – at grocers, farmers' markets, military commissaries, manufacturers, and farms. Because SNAP benefits are so urgently needed, they are spent quickly – 97 percent of benefits are

Hoynes, H. W., Schanzenbach, D. W., & Almond, D. (2012). Long run impacts of childhood access to the safety net. NBER Working Paper, 18535. Cambridge, MA: National Bureau of Economic Research.
 For citations and additional research on SNAP's role in improving dietary intake, health and well-being, see FRAC's SNAP and Public

¹² For citations and additional research on SNAP's role in improving dietary intake, health and well-being, see FRAC's SNAP and Public Health: The Role of the Supplemental Nutrition Assistance Program in Improving the Health and Well-Being of Americans, as well as the April 2015 issue of Food Insecurity and Hunger in the U.S.: New Research. Both publications are available at www.frac.org.

redeemed by the end of the month of issuance – and therefore have great positive economic effects. Moody's Analytics and USDA estimate that the economic growth impact of SNAP ranges from \$1.73 to \$1.79 per \$1 of SNAP benefits.

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In the midst of all of these quite considerable strengths of the SNAP program, the most serious shortcoming is its inadequate benefit levels. Benefits are not adequate to get most families through the whole month, let alone to allow them to buy the foods needed for a quality diet. Benefits are inadequate even though SNAP recipients use a variety of savvy shopping practices to stretch their limited food dollars, such as clipping coupons, using shopping lists, looking for deals by comparing store circulars, purchasing generic brands, buying in bulk quantities, and shopping at multiple stores. ^{13,14,15}

Researchers, advocates, and food pantries have been saying for years that SNAP benefits are inadequate, but in 2013 the prestigious Institute of Medicine, after a thorough study, outlined the factors that explain why the SNAP allotment is not enough to get most families through the month with a minimally adequate diet (e.g., the lag in SNAP benefits keeping up with inflation because of budget cuts made by Congress; the failure to fully account for shelter costs when determining family income available for food costs so that SNAP benefits are lower; the unreasonable assumptions about the amount of time beneficiaries have to purchase and prepare food). ¹⁶

An analysis by FRAC finds that SNAP benefits are inadequate, in part, because they are based on the U.S. Department of Agriculture's (USDA) impractical Thrifty Food Plan. The plan: includes lists of foods that are impractical to find in many communities or impractical given time constraints; lacks the variety called for in the Dietary Guidelines for Americans; unrealistically assumes adequate facilities and time for food preparation; unrealistically assumes food availability, affordability, and adequate transportation; particularly costs more than the SNAP allotment in many parts of the country; and ignores special dietary needs. ¹⁷

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¹³ Bradbard, S., Michaels, E. F., Fleming, K., & Campbell, M. (1997). Understanding the Food Choices of Low Income Families: Summary of Findings. Alexandria, VA: U.S. Department of Agriculture, Food and Consumer Service, Office of Analysis and Evaluation.

¹⁴ Seefeldt, K. S. & Castelli, T. (2009). Low-income women's experiences with food programs, food spending, and food-related hardships: evidence from qualitative data. Contractor and Cooperator Report, 57. Washington, DC: U.S. Department of Agriculture, Economic Research Service.

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¹⁶ Institute of Medicine and National Research Council Committee on Examination of the Adequacy of Food Resources and SNAP Allotments. (2013). Supplemental Nutrition Assistance Program: Examining the Evidence to Define Benefit Adequacy. Washington, DC: National Academies Press.

¹⁷ For this and additional information on the weaknesses of the Thrifty Food Plan, see FRAC's Replacing the Thrifty Food Plan in Order to Provide Adequate Allotments for SNAP Beneficiaries at www.frac.org.

On the other hand, the nation has just run a large natural experiment involving providing more adequate benefits, and it worked. Average benefits starting in April 2009 reflected a temporary boost in monthly allotments pursuant to the American Recovery Reinvestment Act (ARRA). Unfortunately, the temporary ARRA boost was cut off on November 1, 2013, and benefits then were reduced for all SNAP participants. But the ARRA boost had very important positive effects while it was in effect. It helped reduce the ratio of food insecurity by 2.2 points and reduce very low food insecurity by 2.0 points among low-income households between December 2008 (pre-ARRA) and December 2009 (about eight months post-ARRA). SNAP households also exhausted benefits later in the month with the ARRA boost – they were able to save slightly more benefits for use at the end of the month. Two years after the ARRA boost started, young children in households receiving SNAP benefits were significantly more likely to be "well" than children from non-participating low-income households; such a difference was not observed prior to the benefit boost.

Prior to the temporary boost, caloric intake declined by as much as 25 percent at the end of the month among SNAP participants. However, the ARRA boost eliminated this decline, leading researchers to conclude, when the boost expired, that: "now that the ARRA-induced benefit boost has been eliminated, it is likely that SNAP recipients are again experiencing a monthly cycle in caloric intake."

Another USDA report estimates that increasing the maximum SNAP benefit by 10 percent would reduce the number of SNAP households with very low food security by about 22 percent.¹⁹

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Given this extensive body of research, as the Committee considers "Developing and Using Evidence-Based Solutions" in SNAP, I would close with the following points and recommendations:

The statutory language and the history of SNAP define the purposes that frame the solutions we should seek. The SNAP program is explicitly designed:

- 1) to address hunger and malnutrition among low-income households suffering from limited purchasing power;
- 2) to assist those households in obtaining a more nutritious diet;
- 3) to bolster normal channels of trade i.e., to assure that low-income people can use regular grocery stores rather than have to rely on a system like pantries; and
- 4) to strengthen the agricultural economy.

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¹⁸ For citations and additional studies on the ARRA boost and its impacts, see FRAC's SNAP and Public Health: The Role of the Supplemental Nutrition Assistance Program in Improving the Health and Well-Being of Americans, as well as the April 2015 issue of Food Insecurity and Hunger in the U.S.: New Research. Both publications are available at www.frac.org.

¹⁹ Nord, M. (2013). Effects of the Decline in the Real Value of SNAP Benefits from 2009 to 2011, ERR-151. Washington, DC: U.S. Department of Agriculture, Economic Research Service.

The program has succeeded remarkably well in achieving these goals, even across several decades of demographic, economic, fiscal and political change. If anything, the program is more essential and effective than it was 20 or 30 or 40 years ago.

For that reason, I recommend that the first priority be to look at the existing body of evidence as to how SNAP is fulfilling these core statutory purposes and see how to build on that evidence base and implement key findings. In particular, there needs to be more in-depth research on the impact of the ARRA boost to monthly SNAP allotments on food purchasing power, food insecurity, adult and child health, and other outcomes. Does the research demonstrate that this is a solution to food insecurity and to bad health and other outcomes that food insecurity causes so as to justify raising benefits on a long-term basis?

I would also recommend that the Committee look at new developments in SNAP and related programs coming out of the Farm Bill and other recent developments in federal and state policy to see what evidence is emerging from them that the Committee can build on. Here are five examples:

- Last year's Farm Bill created the Food Insecurity Nutrition Incentive Grant Program ("FINI") to provide incentives at the point of sale for SNAP consumers' purchases of fruits and vegetables. By enhancing purchasing power in a targeted way, this Farm Bill-created set of pilots could provide important evidence of strategies to strengthen SNAP to further reduce food insecurity and improve nutrition.
- The Farm Bill also created a substantial demonstration project that will fund ten states' innovative employment and training strategies (SNAP E & T), plus an independent evaluation of their results. USDA announced the ten pilots in March. There will be much to learn from these pilots about the ways in which SNAP E & T can better lead to good jobs that build food security and economic stability and security.
- There is much evidence that the absence of affordable child care is a barrier to stable employment and to families getting and keeping jobs with family-supporting wages. The reauthorization and strengthening last year of the Child Care and Development Block Grant (CCDBG) has the potential to ameliorate some of this problem, especially if CCDBG is adequately funded. It will be important to see whether child care support can be better integrated with SNAP, and with SNAP E & T, reach more adequate numbers of low-income families needing help, and help lead to higher rates of food security.
- We know that the SNAP participation rates of seniors have been considerably lower than the rates for other groups. There are many reasons for this e.g., seniors are less willing to grapple with the unnecessary red tape and wait times that prevail in many states. The President has proposed an initiative to help states streamline application processes for the elderly. It would be important to fund that and determine the extent to which it could raise senior SNAP participation rates and lower senior food insecurity, and thereby lower the resulting health costs for Medicare, Medicaid and other systems.

As more states adopt higher state minimum wages, but the federal minimum wage and
other states lag behind, there is an opportunity for researchers to look at whether there is
evidence – and the robustness of the evidence – that higher minimum wages are a
significant solution to food insecurity and also bring down SNAP participation rates. We
need clearer understanding of how families' work, bolstered by higher minimum wages,
other wage supports like health coverage, and other supports, produces greater selfsufficiency.

Conclusion

In taking a close look at SNAP, I hope this Committee and Subcommittee will first apply the principle of doing no harm. This is particularly crucial because the program is so successful and so important to so many people in every community in America. There are ways to make SNAP an even better support for food security, poverty reduction, nutrition, health, learning and work, and those strategies grow out of the rich research basis on how effective SNAP already is. I appreciate the opportunity to be here today and discuss some of them.