



HUNGER: Food Stamps Gets a New Name, But will Hungry Marylanders be Fed?

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Have you ever tried working, studying or performing on an empty stomach? How well were you able to concentrate? You probably were not able function very well, right? Unfortunately, too many households have to decide whether to buy groceries or pay for other necessities (i.e. gas, transportation to school or work, medicine, school or work uniforms, etc.). The result: many end up missing meals. Hunger, now termed, “food insecurity” is a major problem. A person is considered food insecure, or hungry, if average food availability or access to food falls below the Food and Agriculture Organization’s recommended average calorie intake levels of approximately 2,100 calories per day, with some differences among regions¹. In fact, many working households are increasingly eligible for food assistance due to the volatile economy. Mark Nord, Margaret Andrews & Steven Carlson, U.S. Department of Agriculture (USDA), Economic Research Service in their report *Measuring Food Security in the United States: Household Food Security in the United States, 2006* (2007) find that 9.5% (1 in 10) of Maryland households were food insecure in 2006 (most recent data); whereas, 10.9 percent of households were food insecure in the U.S.

One of the ways to reduce hunger is via the Food Stamp Program (FSP) The FSP has made severe hunger rare in America. In the late 1960s, medical research exposed the fact that American children suffered and died from diseases related to severe malnutrition that usually are thought of as occurring only in third-world countries. In 1979, after the Food Stamp Program became available nation-wide, physicians discovered that this severe malnutrition had become rare, a result they attributed to the Food Stamp Program. The Food Stamp Program is the largest anti-hunger program in Maryland².

The purchasing power of food stamps has shrunk since 1996, when Congress last recalculated benefit levels. One result of the 1996 recalculation is that benefits no longer keep pace with inflation, according to the Washington Post³. Maryland’s Food Stamp Program aims to help low-wage earners, part-time workers, unemployed, public assistance beneficiaries, elderly, disabled and homeless individuals and families buy the food they need for good health. Approximately, 318,825 Marylanders use food stamps to buy food every month⁴. That amounts to six percent of the people in Maryland⁵.

Currently, federal guidelines calculate food stamps based on how many people are living in a household, net income (less than \$2,238 a month for a family of 4), assets and expenses. Households may have up to \$2,000 in countable resources, such as a bank account. Households may have \$3,000 if at least one person is age 60 or older, or disabled⁶. The net income means gross income minus allowable deductions, a 20 percent deduction from earned income⁷. A larger deduction qualifies families for a higher benefit level. What many do not know is that working households with young children can claim a dependent care deduction (i.e. child care and extended care). Many states do not do an efficient job of informing applicants that they qualify for the dependent care deduction (DCD). In FY 2006, Maryland ranked 5th out of the 50 states and the District of Columbia in this area⁸. There is also the standard deduction. The standard deduction is \$134 for households of 1 to 3 people and higher for larger households. Special rules apply to elderly and disabled applicants.

The new FSP will be called the “Supplemental Nutrition Assistance Program.” Some of the important changes include:

- increases the standard deduction to \$144 (48 states and D.C.) and indexes it to inflation,
- removes the cap on dependent care deductions,
- adjusts the current \$2,000 and \$3,000 asset limits for inflation,
- allows states the option to extend transitional benefits to households with children that cease to receive cash assistance under state-funded public assistance,
- modifies employment and job retention services by:
 - (1) allowing Food Stamp Employment and Training (FSET) funds to be used for job retention services for up to 90 days after FSET participants begin employment, and
 - (2) clarifying that FSET volunteers are not subject to the 120 hour-a-month participation limit or the requirement that the number of hours of participation not exceed the household’s food stamp benefit divided by the minimum wage.
- allows states to interview applicants via the telephone, etc.

These provisions are part of the 2008 reauthorization of the Food, Conservation and Energy Act or “farm bill,” which reauthorizes the Federal Food Stamp Program via the nutrition title and takes effect on October 1, 2008. In addition to reauthorizing the FSP (SNAP) and other nutrition initiatives, the farm bill also deals with other agricultural policy issues, like reauthorizing crop subsidies and conservation programs.

The Senate version of the farm bill would have been more beneficial to recipients, by raising the food stamp asset limit by \$1,500 to \$3,500 for most households and \$4,500 for households with elderly and disabled members. Although, the final compromise did not include raising the asset limit, it is still a marked improvement. For instance, the 5 year reauthorization may allow 131,000 Marylanders to receive additional benefits by 2012 (i.e. standard deduction, dependent care deduction, including the minimum benefit)⁹. Nevertheless, by increasing the share of eligible households that participate in the Food Stamp Program by just five percentage points, Maryland would provide food stamps to an

additional 25,000 low-income Marylanders, bring \$12.6 million into Maryland's local economy, and result in \$23.2 million in new economic activity¹⁰. This allows Maryland and the nation, as a whole, to take a step closer to effectively address hunger and simultaneously strengthen the current capricious economy.

For more information see links to the [Center on Budget and Policy Priorities' Maryland fact sheet on food stamps](#), the video, [Making America Stronger: U.S. Food Stamp Program](#), and the [Center for Hunger Solutions'](#) web site..

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¹ US Department of Agriculture, Economic Research . US Department of Agriculture, Economic Research, 2007. 26 May 2008 <<http://www.ers.usda.gov/publications/gfa18/gfa18.pdf>>.

² Center on Budget and Policy Priorities. [THE FOOD STAMP PROGRAM IN MARYLAND](#). 2008. 29 May 2008 <<http://www.cbpp.org/states/foodstamp-fact-md.pdf>>.

³ Jenkins, Chris L. [Rising Prices Hit Home For Food Stamp Recipients](#). Washington, D.C: The Washington Post, 2008. 27 May 2008 <<http://www.washingtonpost.com/wp-dyn/content/article/2008/05/26/AR2008052601821.html>>.

⁴ FY2007 average monthly participation, the most recent full year for which data is available. In February 2008, the most recent month for which USDA has published data, there were 350,997 participants in the state, but this data is preliminary and monthly data can fluctuate significantly. For the most recent month see: <http://www.fns.usda.gov/pd/29fslatest.htm>.

⁵ Center on Budget and Policy Priorities. [THE FOOD STAMP PROGRAM IN MARYLAND](#). 2008. 29 May 2008 <<http://www.cbpp.org/states/foodstamp-fact-md.pdf>>.

⁶ U.S. Department of Agriculture Food and Nutrition Service. [Food Stamp Program](#). n.d. 27 May 2008 <http://www.fns.usda.gov/fsp/applicant_recipients/eligibility.htm#immigrant>.

⁷ Ibid.

⁸ Calculations conducted by the Center for Budget and Policy Priorities based on the Food Stamp Program Quality Control data for FY 2006.

⁹ Center on Budget and Policy Priorities. [FARM BILL CONFERENCE AGREEMENT CONTAINS SIGNIFICANT DOMESTIC NUTRITION IMPROVEMENTS](#). Dottie Rosenbaum, 2008. 29 May 2008 <<http://www.cbpp.org/5-8-08fa.htm>>.

¹⁰ U.S. Department of Agriculture Food and Nutrition Service. [The Business Case for Increasing Food Stamp Program Participation](#). 2008. 29 May 2008 <<http://www.fns.usda.gov/fsp/outreach/business-case.htm>>.