Kansas Department of

Social and Rehabilitation Services

Don Jordan, Secretary

House Agriculture and Natural Resources Committee February 14, 2007

Food Assistance (Food Stamp) Program
Update

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Food Assistance (Food Stamp) Program Update

Mr. Chairman and members of the Committee, thank you for the opportunity to brief you on the Food Stamp Program. My name is Candy Shively, Deputy Secretary of Integrated Service Delivery for the Department of Social and Rehabilitation Services. The Food Stamp Program is a Federal program administered by the agency that provides a monthly benefit to eligible low-income households to assist them in purchasing food for home consumption. The program is administered at the Federal level by the United States Department of Agriculture (USDA). In Kansas, we also call the Food Stamp Program the Food Assistance Program.

Eligibility for the Food Stamp Program is based on financial and non-financial factors. With certain exceptions, a household that meets the eligibility requirements is qualified to receive benefits. Generally households with income below 130% of federal poverty and with no more than \$2000 in countable assets can qualify for the program. Households with at least one member who is 60 or older can have up to \$3000 in assets. A household is defined as a single individual or group of individuals who live and eat together. Many able-bodied, childless, unemployed adults have time limits on their receipt of food stamp benefits.

In Kansas, the program currently serves 184,000 persons, of which 47% are children. The average monthly benefit per person is \$85.61, and the average benefit per household is \$190.00. Benefits are issued electronically on the Vision card. In FY 2006, the State issued a total of \$185,134,708. These benefits are spent at local grocery stores, farmers markets and other stores in Kansas to purchase food for home consumption. Only food, and plants/seeds to grow food can be purchased with food stamp benefits.

Although we are reaching more and more households eligible for food stamp benefits, SRS estimates that we are only serving approximately 64.5 percent of the statewide low-income population that would qualify for food stamps. This participation rate varies statewide from a high of 85 percent in Sedgwick and Cherokee counties to a low of 20-24 percent in Gove and Greeley counties respectively. The attached map shows the estimated participation rates for SFY 2006 for all counties of Kansas. The most current official participation rate for Kansas from the United States Department of Agriculture is 55% which is from FY 2003.

The USDA estimates that every \$5 in new food stamp benefits generates \$9.20 in economic activity. If Kansas increased participation by 5%, that would result in a yearly food stamp benefit increase of \$8.2 million and generate an additional \$15.1 million in economic activity. There are many benefits to increasing participation in the Food Stamp Program including helping more low income families with their food and nutrition needs as well as transition to self-sufficiency. In addition, the increased food buying power generated by the program generates economic activity, supports the local and state economy, and supports farming in Kansas.

The Food Stamp Program is due for reauthorization in 2007. The vehicle for reauthorization is the Farm Bill. The Administration released its proposals for the Farm Bill on Wednesday, January 31st. Changes proposed by the President to the Food Stamp Program include eligibility improvements such as excluding retirement savings accounts when determining eligibility and eliminating the current cap on the dependent care deduction. There are also increased restrictions especially in the area of program integrity through added sanctions related to error rates. Kansas has joined a majority of States in supporting further improvements to the program including increasing the minimum allotment for one and two person households to enhance benefits and program access for the elderly and persons with disabilities, further reforming the Food Stamp quality control (QC) system, and strengthening nutrition education initiatives.

Overall the Food Stamp Program in Kansas is an effective and critical support program for low income citizens. I will be happy to stand for questions.