BRUCE WAGSTAFF TESTIMONY ON THE FOOD STAMP PROGRAM
US HOUSE OF REPRESENTATIVES
COMMITTEE ON AGRICULTURE
SUBCOMMITTEE ON DEPARTMENT OPERATIONS,
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Thank you for providing this opportunity to express California's views regarding the Food Stamp Program and its upcoming reauthorization. As a national "safety net", the Food Stamp Program plays a critical role in providing assistance for low-income individuals and families in need. Food stamp benefits may be the only difference between an adequate diet and hunger. As you know, there has been a great deal of discussion among states, advocates, and USDA staff regarding the future of this program. Conceptually, we believe that a broad overhaul is necessary. It is imperative that the program become much more accessible to needy families.

California differs from many other states in that the majority (73%) of its Food Stamp Program caseload also receives cash assistance - Temporary Assistance for Needy Families (TANF). This fact explains the concern and emphasis in my testimony with work and self-sufficiency. In California, we have had significant success moving families from welfare to work. Since the January 1998 implementation of the state's TANF program, CalWORKs, over 650,000 people have found jobs. Every aspect of our federal welfare system has been altered to promote and support the movement of families from welfare to work – with the very significant exception of the federal Food Stamp Program.

The federal program, with its complicated eligibility and application requirements, has not been aligned with this movement, and has proven itself to be difficult to use by families who need its services, and by administrators who are charged with its operation. Many families who have just found jobs must try to take time off from work in order to apply; additionally, annual re-application with a face-to-face interview is also required.

The existing image of the Food Stamp Program is perhaps its greatest drawback. Its perception, as a welfare program, tends to stigmatize even the neediest recipients. Many eligible persons are reluctant to participate, many others decline altogether. The effort to ensure that all people in this country have the ability to meet basic food needs should not have a negative connotation. Reauthorization provides the opportunity to change the focus of the program to better meet the needs of the public. Characterizing the program as “food security” and as a “work support” would go a long way towards increasing participation of needy households, including working families.

The administrative difficulty of the program combined with recipient inability to understand and abide by complex rules must be addressed. Simplification must occur in every phase of the program. In particular, the eligibility and benefit determination process needs to be streamlined to reduce the administrative complexity that both acts as a barrier to participation, and increases the potential of payment errors. Along with this simplification, there also needs to be a

corresponding increase in flexibility in order for states to be able to tailor a food security program that better meets the needs of their low-income families. Public human service programs can no longer operate by the "one-size-fits-all" model. Congress recognized this need through the establishment of the "Simplified Food Stamp Program" option in the 1996 national welfare reform legislation. However, strict federal interpretation and application of that legislation, coupled with rigid cost-neutrality provisions, has made the option minimally useful.

We strongly urge that federal waiver authority be expanded and states be encouraged to develop innovative approaches to administering the Food Stamp Program. Waivers should be evaluated on the basis of what works; if an idea works, all states should be able to take advantage without going through a lengthy and tedious approval process as is now the case.

Conformance with other programs should be allowed in significant areas that would streamline administration and help families in need, particularly working families. The recent legislation which allowed a state to apply its TANF vehicle policy to food stamps is an excellent example.

The program currently uses an intensive quality control process for determining payment accuracy as the single measure of successful performance. We acknowledge the importance of families receiving the correct amount of benefits. However, using this process to ensure that every aspect of eligibility is checked

and rechecked may deter states from seeking out those families with the greatest need and preclude them from participating. While realistic program integrity measures should be a component of successful performance, other outcome measures consistent with program goals should also be considered. At a minimum, outcomes should include a measurement of the effectiveness of the program in serving low-income families.

For households who leave cash aid due to employment, food stamp benefits should become a major part of transitional services that assist these households to become self-sufficient and reduce the potential of returning to cash aid. In that regard, raising the minimum benefit levels for working families should be explored in tandem with an automatic transitional period of eligibility (such as three to six months). A transitional benefit option has been provided in recently issued federal rules. However, the authority to implement this option is pending approval by the Office of Management and Budget.

While the Food Stamp Program does not provide adequate incentives for employment, it does have penalties for those who do not work. According to national studies, this has contributed to the decline in the caseload. There should be better incentives for employment. In administering TANF programs, many states have designed effective earned income deductions that are intended to recognize and promote an increase in earnings. In contrast, the current Food Stamp Program's 20% earned income deduction has been the same since 1986.

In regard to the availability of the program in providing food assistance to needy families, the issue of legal noncitizens must also be raised. With the passage of national welfare reform legislation in 1996, a significant number of individuals who had met all required immigration rules were denied continued access to the program. As a result, California along with 12 other states established a state-funded program in order to continue providing food stamp benefits for legal noncitizens not covered by the federal Food Stamp Program. It is time to consider restoring federal eligibility for all legal noncitizens, thereby eliminating the need and the resultant cost and administrative complexity of maintaining a separate state program in addition to the federal Food Stamp Program.

A national “food security program” should play a more integral part in assisting today’s low-income families in times of need. The impending reauthorization provides the perfect opportunity to effect needed change to make the program meaningful for the citizens of California and the nation.