

FAST FACTS

From the House Appropriations Committee

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Supplemental Nutrition Assistance Program (SNAP)

The Department of Public Welfare's (DPW) current effort to impose an asset test to determine eligibility for SNAP (Supplemental Nutrition Assistance Program) benefits — formerly known as Food Stamps — has earned national notoriety because it goes against the recession era trend of other states. This move will NOT result in any cost savings to Pennsylvania. This document provides a snap-shot of information about how this program works and who benefits. Legislative authority is not required for DPW to make this change that will affect residents across the state still struggling to recover from the recent recession.

What is SNAP

Formerly known as the Food Stamp program, SNAP (Supplemental Nutrition Assistance Program):

- Was first authorized under the federal Food Stamp Act of 1977.
- Is overseen by the U.S. Department of Agriculture (USDA).
- Was reauthorized in the federal Food, Conservation and Energy Act of 2008.

SNAP benefits to individuals are:

- 100 percent federally funded (the federal government also funds half of the state's administrative costs).
- Administered by states — in Pennsylvania, the Department of Public Welfare (DPW) administers the program using eligibility and benefit standards set by federal law and regulations.

Who Benefits

The goal of SNAP is to improve the diets of low-income individuals by ensuring access to nutritious food using monthly benefits redeemed at local grocery stores and farmers' markets.

Currently, more than 1.8 million Pennsylvanians in all 67 counties receive SNAP benefits, totaling more than \$2.5 billion statewide each year.

The federal government provides eligibility guidelines for the program, but may approve of states waiving requirements. During the 2008 recession, most states, including Pennsylvania,

\$4.5 billion — That is the annual positive economic activity spurred in Pennsylvania from SNAP benefits.

obtained permission to waive certain eligibility requirements for SNAP as the number of individuals in need increased. USDA continues to encourage states

to increase participation as the economic recovery continues.

Currently, Pennsylvanians may be eligible for SNAP if they meet [income eligibility requirements](#) (160 percent of the federal poverty level, or \$36,880 for a family of four).

Under **current guidelines** approved by the federal government, most Pennsylvania households are not subject to a net income limit, nor are they subject to any resource or asset limits. Previously, DPW

Percentage of County Population Receiving SNAP Benefits¹ Top Ten Counties

County	% of Population
Philadelphia	30.9%
Fayette	23.3%
Erie	20.5%
Greene	18.6%
Lawrence	18.1%
Cameron	17.9%
McKean	17.6%
Venango	17.4%
Clearfield	17.3%
Mercer	17.2%

¹ Data from the 2010 U.S. Census and Dec. 2011 'Number of Adults and Children Eligible for Assistance, by County' report from DPW.

contended that, because of these exceptions, the best way to determine eligibility is through the application process.

“Every \$5 in new SNAP benefits generates \$9 in total community spending.”

— USDA

USDA reminds states that **SNAP benefits help create jobs**, emphasizing that “on average, \$1 billion of retail food demand by SNAP recipients generates close to 3,000 farm jobs.”

How Much in Benefits

- Minimum benefits for a Pennsylvanian on SNAP range from \$2 - \$16 per month.
- Maximum benefits vary based on family size. For example, a maximum monthly benefit for a family of four is \$668.
- The average monthly benefit for Pennsylvania households was \$262 in 2010.

Benefits of SNAP according to the USDA:

Helps families by: stretching food dollars; fighting obesity through education; keeping elderly family members independent; and transitioning families back to self-sufficiency.

Helps states and local communities by: supporting local food retailers; generating economic activity; supporting farms; and leveraging federal funding (through benefits) for the community.

Helps businesses and workers achieve optimal performance: employees whose food needs are met at home may have higher productivity and take fewer sick days for themselves and their children.

SNAP Trends in Other States

In December 2011, the USDA released a four-page report titled, [*The Benefits of Increasing the Supplemental Nutrition Assistance Program \(SNAP\) Participation in Your State.*](#)

The document reminds states that SNAP:

- offers **nutrition benefits** to participating clients;
- **supports work**; and
- provides economic **benefits to communities.**

USDA also stresses that SNAP benefits generate economic activity, highlighting that:

- Every \$5 in SNAP benefits generates \$9 in total community spending.
- Every dollar’s worth of SNAP benefits generates an additional 17 to 47 cents of new spending on food.

DPW Bucks Trend on Asset Test

In the same month as the USDA report, Lourdes Padilla, DPW deputy secretary, sent a letter to USDA informing the department that Pennsylvania is “modifying components of its option to expand categorical eligibility” in the SNAP program. Currently, Pennsylvania does not count assets toward eligibility.

According to the letter, effective May 1, 2012 elderly or disabled households may not have in excess of \$3,250 of countable assets and all other households may not have in excess of \$2,000 of countable assets. Countable assets include:

- Cash on hand, checking and savings accounts;
- Lump sum payments;
- Funds withdrawn from educational accounts when the funds are used for purposes other than educational expenses;
- Readily available funds from trust accounts;
- Stocks, bonds, saving certificates;
- Non-recurring payments from retirement plans when an individual chooses to liquidate the funds; and
- Personal property, such as license and unlicensed vehicles, boats, aircraft, all-terrain vehicles.

DPW’s action to restrict participation in SNAP goes against the vision of USDA, as seen in its recent four-page report to states. DPW estimates that approximately 35,700 (or 2 percent) of individuals currently receiving SNAP benefits may be ineligible if DPW implements an asset test.

Cost savings to Pennsylvania as a result of this change are unlikely. Again, SNAP benefits are 100 percent federally funded. Administrative costs related to eligibility determinations are based on the number of applications. It is unlikely this change will result in fewer applications. Also, DPW caseworkers will need to review additional information for current enrollees to verify eligibility.