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New Report Recommends Strategies for Increasing Food Stamp Participation To Help Struggling Families, Boost Economy

SACRAMENTO - California has historically had low participation in the Food Stamp Program, the nation's largest and most important anti-hunger program. In 2007, fewer than half of eligible Californians received food stamps, making the state's participation rate second-to-last among 50 states and the District of Columbia.

A new report by the [California Budget Project](#), a nonpartisan public policy research group, outlines steps that the state and counties can take to increase participation in the program that helps low-income families avert hunger and boosts local economies. The federal government pays 100 percent of the cost of food stamp benefits, while the state and counties share the costs of administering the program with the federal government.

Food Within Reach: Strategies for Increasing Participation in the Food Stamp Program in California concludes that although participation in the program has increased since mid-2007 when California's recession began, still more can be done so that benefits reach the low-income families who need them. More than 2.9 million Californians received food stamp benefits in September 2009.

"Food stamp benefits are modest, but they help not only struggling families, but also struggling economies," said Scott Graves, a senior policy analyst with the CBP and one of the authors of the report. "The current downturn makes it more important than ever for California to boost participation in the Food Stamp Program."

The impact of food stamp benefits extends beyond the households that receive them. By freeing up income they would otherwise spend on food, families are able to purchase clothing and other necessities. Economists estimate that every dollar spent on food stamp benefits increases economic activity by \$1.73.

The report recommends a number of steps the state could take to increase participation in the Food Stamp Program, including:

- **Reducing paperwork requirements as soon as possible.** California is one of only two states that does not use "simplified reporting," which reduces the number of times participants have to

report changes in living circumstances. Federal officials are requiring the state to submit a plan outlining how it will convert to simplified reporting. California should move as quickly as possible to reduce this red tape.

- **Eliminating the asset test for all households.** Federal rules generally prohibit households from receiving benefits if they have more than \$2,000 in assets, or \$3,000 if the household includes a senior or a person with disabilities. Federal rules also allow states to set less restrictive asset limits or even eliminate them. Steps are underway to partially eliminate the asset test, following the passage of AB 433 of 2008. However, the Department of Social Services has limited the eligibility to households with children under age 18. To help more low-income families qualify, all households should be eligible, as permitted by AB 433.

The report also encourages counties, which administer the program, to allow families to apply for food stamps by telephone or online or in more convenient locations and to improve food stamp outreach.

A copy of the report is available [here](#). A chart showing a breakdown of food stamp enrollment and the total dollars those benefits bring to each county is available [here](#).

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The California Budget Project (CBP) engages in independent fiscal and policy analysis and public education with the goal of improving public policies affecting the economic and social well-being of low- and middle-income Californians. Support for the CBP comes from foundation grants, publications, and individual contributions. Please visit the CBP's website at www.cbp.org.