

Food Stamps:

Promoting a Culture of Dependency

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Executive Summary

- Food stamp enrollment has increased significantly, surging from 17.3 million individuals in 2001 to 42.1 million in 2023. Enrollment as a percentage of the population has doubled from 6.1 percent in 2001 to 12.6 percent in 2023.
- Taxpayer costs skyrocketed from \$31 billion (in inflation-adjusted terms) to \$135 billion between 2001 and 2023.
- Benefit levels have increased faster than inflation, in part due to President Biden's unilateral 21 percent increase in the allotment calculation.
- The duration of dependency has lengthened, with 48 percent of food stamp recipients staying on the rolls for 20 months or longer, compared to less than 20 percent after the 1996 welfare reforms.
- Before the pandemic and Biden expansions, 13 million able-bodied adults received food stamp benefits on average between 2017 and 2019, yet 62 percent of these work-capable recipients did not work at all.
- The food stamp work requirements are limited, weak, and are currently waived completely or in part in 34 states.
- Congress should continue the important work of welfare reform to encourage opportunity rather than the long-term dependency promoted by the status quo.

The story of the food stamp program is one of expanding enrollment, higher spending, benefit payments growing faster than inflation, little work by recipients, and ultimately, a greater dependence on taxpayers.

Enrollment

Food stamps are intended to provide supplemental nutrition assistance for low-income households and assist low-income adults in obtaining employment and increasing their earnings.¹ The official name of the program was changed to the Supplemental Nutrition Assistance Program (SNAP) in 2008.

To be eligible, the monthly gross income for a household without an elderly or disabled person must not exceed 130 percent of the federal poverty line. The household's net income (gross income minus a standard amount and other deductions) must be no greater than 100 percent of the federal poverty line.²

Recognizing that welfare is supposed to be provided only to those who are truly needy, the food stamp program also restricts eligibility to only those with limited countable liquid assets, such as cash and bank accounts (homes and a portion of the value of vehicles are not counted for the asset test).

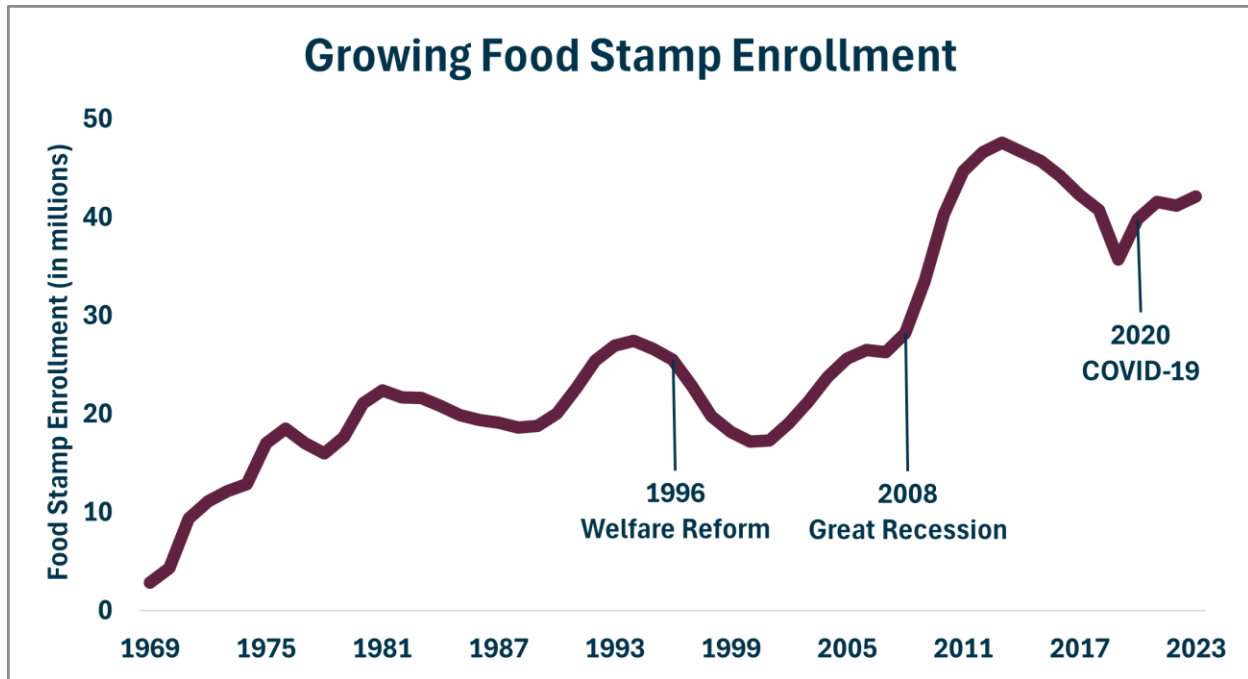
However, the statutory income and asset criteria for eligibility described above can be disregarded through “categorical eligibility.” That means states may provide food stamps automatically to households that receive benefits under the Temporary Assistance for Needy Families (TANF) block grant, Supplemental Security Income (SSI), and state-financed General Assistance (GA) programs, even if they do not meet the statutory food stamp income or asset requirements. Through broad-based categorical eligibility, the “benefit” provided by those other programs can be as limited as a brochure, creating an obvious loophole.

¹ 7 U.S.C. 2011.

² U.S. Department of Agriculture, “SNAP Eligibility,” November 1, 2023, <https://www.fns.usda.gov/snap/recipient/eligibility> (accessed February 1, 2024).

Food stamp enrollment has increased significantly in recent decades. In fiscal year 2023, 42.1 million Americans received food stamps. This is 2.4 times the 17.3 million who were enrolled in FY 2001. In FY 2013, in the wake of the Great Recession, a record high 47.6 million people received food stamps.³

Chart 1

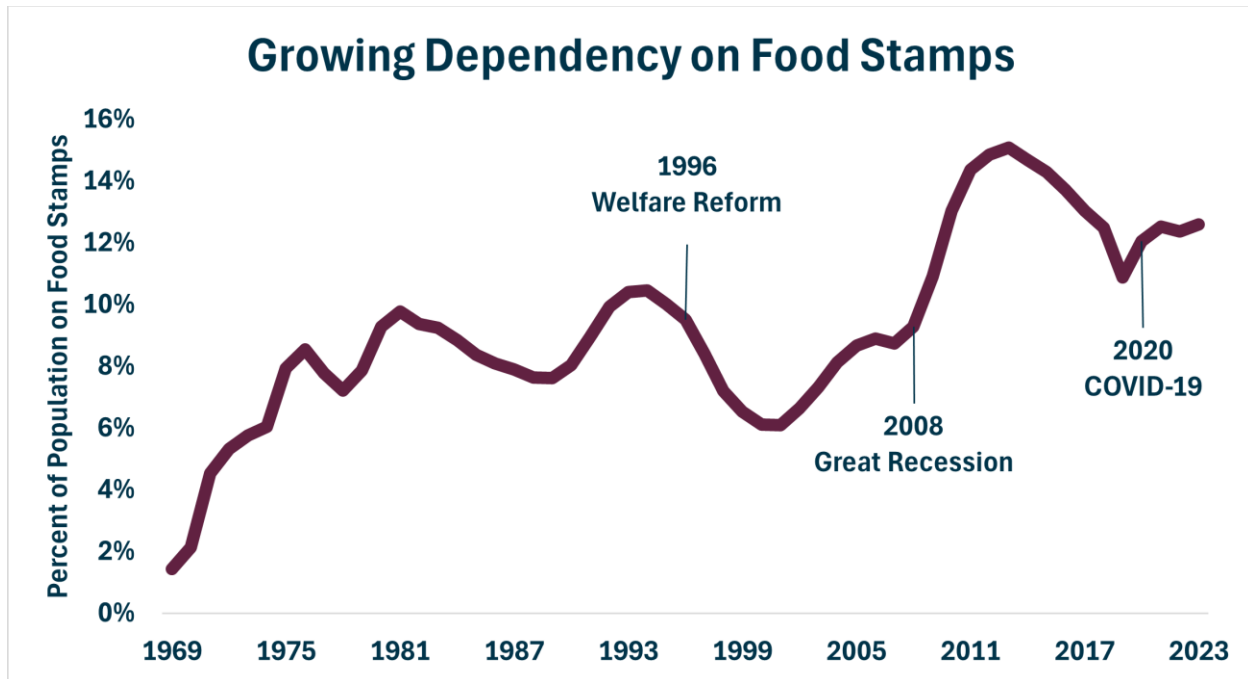


Source: U.S. Department of Agriculture.

³ U.S. Department of Agriculture, "SNAP Data Tables," National Level Annual Summary: Participation and Costs, 1969-2023," January 12, 2024, <https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap> (accessed February 2, 2024).

As the number of people receiving food stamp benefits has increased, the percentage of the U.S. population enrolled has also increased. In fiscal year 2023, 12.6 percent of the total U.S. population received food stamp benefits. This is more than double the 6.1 percent in FY 2001. In FY 2013, a record high of 15.1 percent of Americans received food stamps.⁴

Chart 2

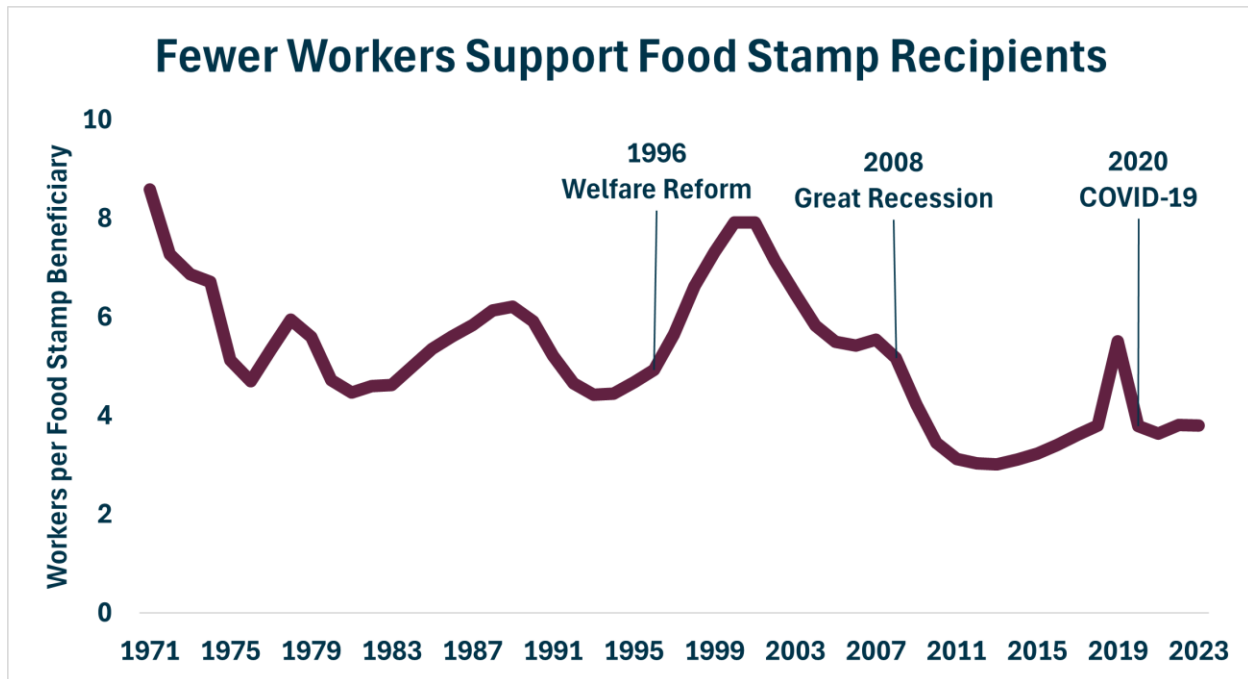


Source: U.S. Department of Agriculture.

⁴ Author's calculation based on U.S. Department of Agriculture, "SNAP Data Tables," National Level Annual Summary: Participation and Costs, 1969-2023," January 12, 2024, <https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap> (accessed February 2, 2024); and U.S. Census Bureau, "Total Population: All Ages including Armed Forces Overseas [POP]," retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/POP> (accessed February 1, 2024).

Growing food stamp enrollment has led to fewer workers throughout the economy paying taxes and supporting each welfare recipient. In FY 2023, there were just 3.8 workers for each food stamp recipient. Between FY 1971 and 2000, the economy averaged 5.7 workers for each food stamp recipient.⁵

Chart 3



Sources: U.S. Department of Agriculture and Bureau of Labor Statistics.

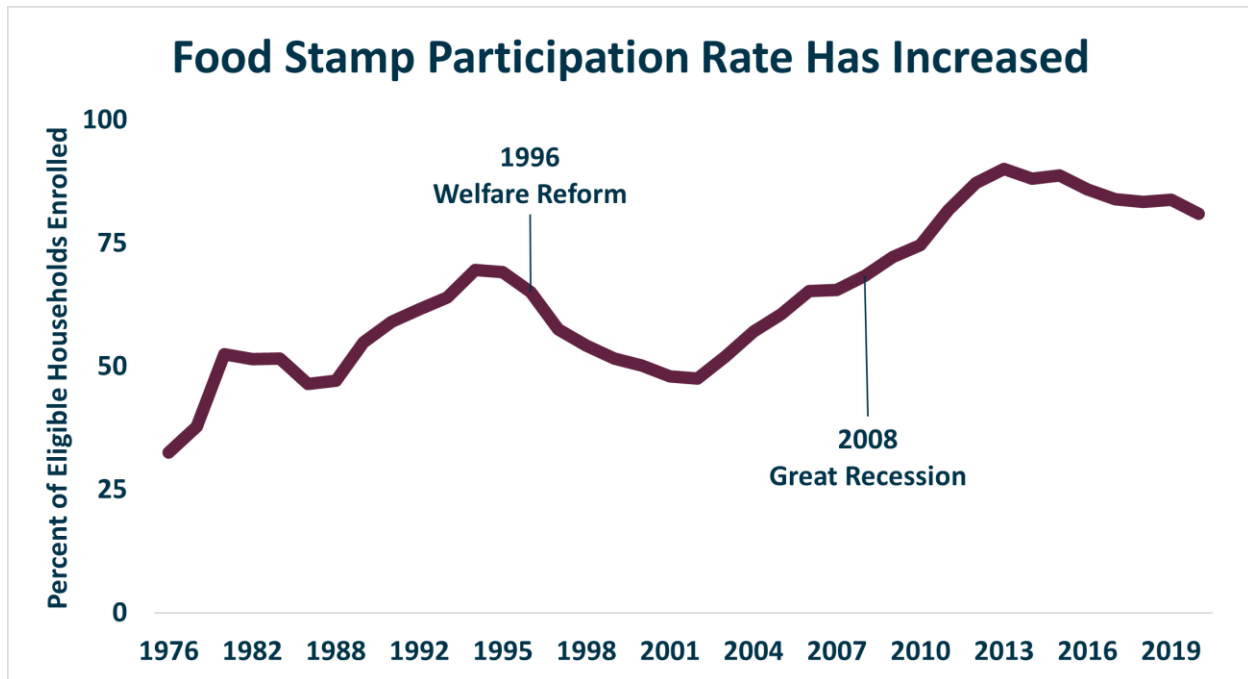
Growing Food Stamp Participation Rate

One important reason for the increase in food stamp enrollment is that the participation rate among people eligible for the program has increased. In 2019, 83.8 percent of people eligible for food stamps received benefits.⁶ Between 1980 and 2000, an average of 56.6 percent of eligible people received food stamp benefits. Between 2010 and 2019, an average of 84.8 percent of those eligible received benefits.

⁵ Author calculation based on U.S. Department of Agriculture, “SNAP Data Tables,” National Level Annual Summary: Participation and Costs, 1969-2023,” January 12, 2024, <https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap> (accessed February 2, 2024); and U.S. Bureau of Labor Statistics, “Employment Level [LNU02000000],” retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/LNU02000000> (accessed February 2, 2024).

⁶ U.S. Department of Health and Human Services, “Welfare Indicators and Risk Factors 22nd Report to Congress,” April 2023, <https://aspe.hhs.gov/sites/default/files/documents/d3882fe364d9b92d5ed1b1312c5dedba/22nd-welfare-indicators-rtc.pdf> (accessed February 2, 2024).

Chart 4



Source: U.S. Department of Health and Human Services.

The growth in the food stamp participation rate accelerated rapidly after the enactment of the 2002 Farm Bill signed by President George W. Bush, despite relatively low unemployment and a growing economy at the time. Growth continued through the enactment of the 2008 Farm Bill and President Barack Obama’s 2009 stimulus law, with the participation rate peaking in 2013 and only modestly receding thereafter.

According to Veronique de Rugy of the Mercatus Center, the 2002 Farm Bill expanded eligibility to non-citizens, increased benefits, and made enrollment easier. Further easing of eligibility requirements and higher benefits were included in the 2008 and 2009 laws.⁷ The expanded use of work requirement waivers and other loopholes such as categorical eligibility and waiving asset tests promoted higher enrollment.⁸ The Center on Budget and Policy Priorities attributes the growth in the participation rate to several factors, including easing enrollment and renewal procedures, higher benefit levels, additional awareness about the program, reduced stigma for collecting welfare benefits, and increased outreach to eligible populations.⁹

⁷ Veronique de Rugy, “The Great Bush-Obama Food Stamp Expansion,” Mercatus Center, June 29, 2012, <https://www.mercatus.org/economic-insights/expert-commentary/great-bush-obama-food-stamp-expansion> (accessed January 17, 2024).

⁸ Brendan Kirby, “How Obama and State Officials Swelled Food Stamp Rolls,” LifeZette, April 2018, <https://www.lifezette.com/2018/04/how-obama-and-state-officials-swelled-food-stamp-rolls/> (accessed January 17, 2024).

⁹ Robert Greenstein, Brynne Keith-Jennings and Dottie Rosenbaum, “Factors Affecting SNAP Caseloads,” Center on Budget and Policy Priorities, August 8, 2018, <https://www.cbpp.org/research/factors-affecting-snap-caseloads> (accessed January 17, 2024).

The U.S. Department of Agriculture (USDA) summarizes the causes for higher participation and enrollment in food stamps since 2002 as the result of the Great Recession and the slow economic recovery, increased eligibility for noncitizens and immigrant children, expanded vehicle asset test exclusions, increased benefit allotments, work requirement waivers, and sustained increases in outreach about the program.¹⁰

The Obama Administration ramped up food stamp promotion efforts, even spending millions on a campaign that encouraged “food stamp parties” and making Keynesian-style claims about the stimulus multiplier effects of increasing benefit receipt to push enrollment.¹¹ Both the Bush and Obama administrations partnered with the Mexican government “to promote nutrition assistance programs — notably food stamps — among Mexican Americans, Mexican nationals and migrant communities in America.”¹² Notably, the food stamp participation rate in California — home to about 1 in 10 food stamp recipients nationwide — grew 22 percentage points between 2007 and 2015.¹³

The Biden Administration has continued these efforts, with a USDA official writing that the agency “highly encourages states to consider requesting waivers of the [able-bodied adults without dependents (ABAWD)] time limit and to use discretionary exemptions as appropriate.”¹⁴

These efforts have led to significant increases in participation rates for certain types of food stamp recipients.¹⁵ Most notable is the growth in the participation of able-bodied adults without dependents (ABAWDs) aged 18 to 49 (the population that is supposed to be subject to work requirements as a condition for receiving benefits). In 2002, 37.9

¹⁰ U.S. Department of Agriculture, “Trends in USDA SNAP Participation Rates: Fiscal Years 2016 to 2020,” Table F.1. Summary of major influences on SNAP participation rate estimates, 1976 to pre-pandemic 2020, December 2022, <https://www.fns.usda.gov/snap/trends-fiscal-year-2016-to-2020> (accessed January 17, 2024).

¹¹ Caroline May, “USDA suggests food stamp parties, games to increase participation,” Daily Caller, June 27, 2012, <https://dailycaller.com/2012/06/27/usda-suggests-food-stamp-parties-games-to-increase-participation/> (accessed January 17, 2024).

¹² Editorial Staff, “Obama USDA met 30 times with Mexican gov’t to promote food-stamp use among Mexican immigrants,” Washington Examiner, October 1, 2012, <https://www.washingtonexaminer.com/red-alert-politics/1876750/obama-usda-met-30-times-with-mexican-govt-to-promote-food-stamp-use-among-mexican-immigrants/> (accessed January 17, 2024).

¹³ Robert Greenstein, Brynne Keith-Jennings and Dottie Rosenbaum, “Factors Affecting SNAP Caseloads,” Center on Budget and Policy Priorities, August 8, 2018, <https://www.cbpp.org/research/factors-affecting-snap-caseloads> (accessed January 17, 2024).

¹⁴ Sasha Gersten-Paal, “SNAP - Preparing for Reinstatement of Time Limit for ABAWDs,” U.S. Department of Agriculture, September 20, 2021, <https://www.fns.usda.gov/snap/snap-preparing-reinstatement-time-limit-abawds> (accessed January 25, 2024).

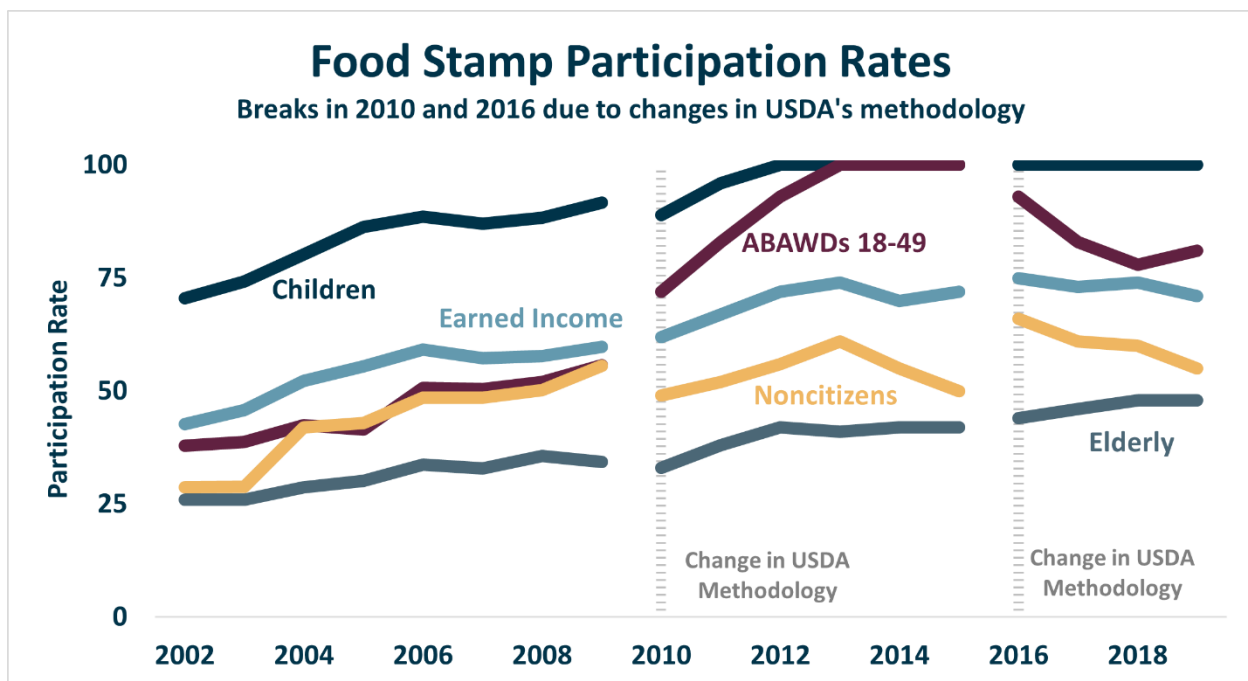
¹⁵ Data for Food Stamp participation rates for subpopulations is based on a series of USDA “Trends in SNAP Participation Rates” reports. USDA notes that its estimating methodology and Census data it relied on were updated in 2010 and in 2016, so comparisons may not be consistent over time. The changes in methodology are noted in the chart by breaks.

percent of eligible ABAWDs received food stamp benefits.¹⁶ By 2013, virtually all eligible ABAWDs were participating in the program.¹⁷ In 2019, 81 percent of eligible ABAWDs received food stamp benefits, despite a robust economy and a low unemployment rate.¹⁸

A higher proportion of eligible noncitizens have also received food stamp benefits in recent years, growing from 28.7 percent in 2002 to 55.6 percent of eligible noncitizens in 2009.¹⁹ In 2019, 55 percent of eligible noncitizens received food stamps.²⁰

Virtually all eligible children (a reported 100 percent in 2019) now receive food stamp benefits.²¹ This is an increase from 2002, when 70.5 percent of eligible children received food stamps.²²

Chart 5



¹⁶ U.S. Department of Agriculture, "Trends in SNAP Participation Rates: FY 2002-2009," August 2011, <https://www.fns.usda.gov/snap/trends-participation-rates-fy-2002-2009> (accessed January 17, 2024).

¹⁷ U.S. Department of Agriculture, "Trends in SNAP Participation Rates: FY 2010-2017," September 2019, <https://www.fns.usda.gov/snap/trends-participation-rates-fy-2010> (accessed January 17, 2024).

¹⁸ U.S. Department of Agriculture, "Trends in USDA SNAP Participation Rates: Fiscal Years 2016 to 2020," December 7, 2022, <https://www.fns.usda.gov/snap/trends-fiscal-year-2016-to-2020> (accessed January 17, 2024).

¹⁹ U.S. Department of Agriculture, "Trends in SNAP Participation Rates: FY 2002-2009," August 2011, <https://www.fns.usda.gov/snap/trends-participation-rates-fy-2002-2009> (accessed January 17, 2024).

²⁰ U.S. Department of Agriculture, "Trends in USDA SNAP Participation Rates: Fiscal Years 2016 to 2020," December 7, 2022, <https://www.fns.usda.gov/snap/trends-fiscal-year-2016-to-2020> (accessed January 17, 2024).

²¹ Ibid.

²² U.S. Department of Agriculture, "Trends in SNAP Participation Rates: FY 2002-2009," August 2011, <https://www.fns.usda.gov/snap/trends-participation-rates-fy-2002-2009> (accessed January 17, 2024).

Source: U.S. Department of Agriculture.

Data from the USDA also shows that lower income individuals participate at a higher rate than those with higher incomes who are also eligible for food stamp benefits. Nearly all of those eligible for food stamps with earnings at or below the poverty line receive benefits, while less than half of those eligible with earnings above the poverty line choose to enroll.²³

Outlays

Outlays for food stamps totaled \$134.6 billion in FY 2023. Unlike some other welfare programs, food stamps are funded by the federal government without a state matching requirement for benefit payments. The federal government also reimburses 50 percent of state administrative expenses.

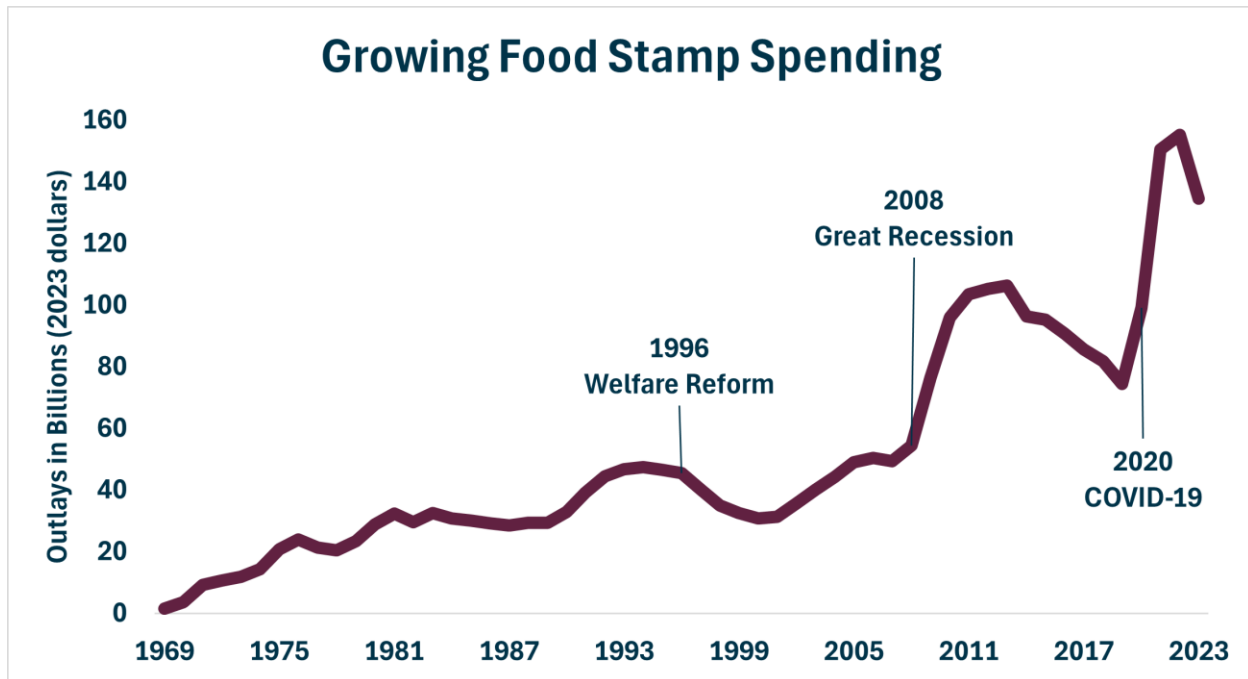
The food stamp program is the largest non-healthcare welfare program by total spending. It is one of the largest programs in the federal budget, exceeding the combined costs of the U.S. Departments of Commerce, Energy, Interior, Justice, and the Environmental Protection Agency.

Food stamp spending has grown significantly. In FY 2001, inflation-adjusted outlays for the program were \$31 billion.²⁴ That means in constant 2023 dollars, annual spending on food stamps has increased by more than \$100 billion over the last 23 years.

²³ U.S. Department of Agriculture, “Trends in USDA SNAP Participation Rates: Fiscal Years 2016 to 2020,” December 2022, <https://www.fns.usda.gov/snap/trends-fiscal-year-2016-to-2020> (accessed January 17, 2024).

²⁴ FY 2001 outlays were \$19.1 billion in nominal terms. Office of Management and Budget, “Historical Tables,” Table 11.3—Outlays for Payments for Individuals by Category and Major Program: 1940–2029 and Table 10.1—Gross Domestic Product and Deflators Used in the Historical Tables: 1940–2029, March 11, 2024, <https://www.whitehouse.gov/omb/budget/historical-tables/> (accessed March 13, 2024).

Chart 6



Source: Office of Management and Budget.

The trend in food stamp outlays shows significant spikes in 2009 and 2020. This is due to two related factors: 1) increased enrollment in the wake of the Great Recession and the COVID-19 pandemic and government shutdowns of the economy; and more significantly, 2) major increases in benefit payments and eligibility enacted by Congress and the USDA.

The food stamp program is just one of more than 80 welfare assistance programs funded by the federal government. In 2019, the government operated 11 other food assistance programs in addition to food stamps, with those additional programs costing taxpayers more than \$31 billion.

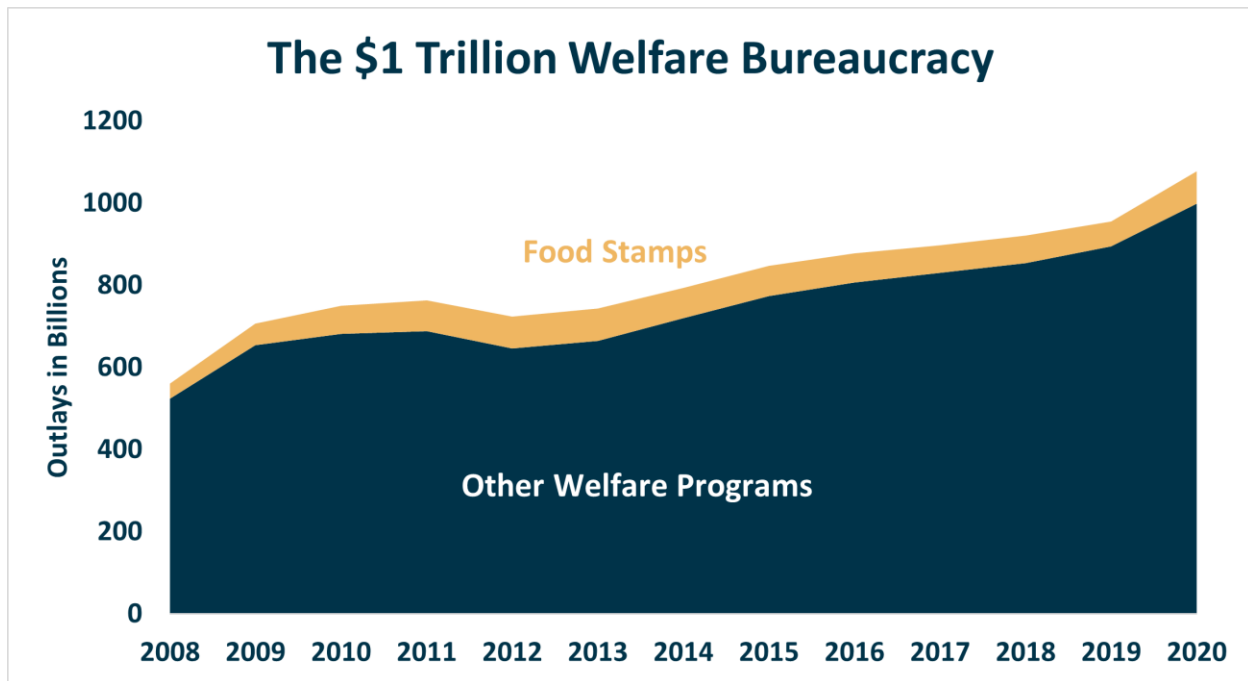
According to the Congressional Research Service, the total cost of welfare programs for low-income individuals exceeds \$1 trillion annually.²⁵ Robert Rector and Jamie Hall of the Heritage Foundation have calculated that in 2018, government-provided cash, food, housing, medical, education, and other social services benefits exceeded \$65,000 per poor family with children.²⁶ This web of the welfare bureaucracy can trap people in

²⁵ Congressional Research Service, “Federal Spending on Benefits and Services for People with Low Income: FY2008-FY2020,” December 8, 2021, <https://crsreports.congress.gov/product/pdf/R/R46986> (accessed February 13, 2024).

²⁶ Robert Rector and Jamie Hall, “Largest Welfare Increase in U.S. History Will Boost Government Support to \$76,400 per Poor Family,” Heritage Foundation *Special Report* No.244, November 8, 2021, <https://www.heritage.org/welfare/report/largest-welfare-increase-us-history-will-boost-government-support-76400-poor-family> (accessed February 13, 2024).

dependence, discourage work, undermine families and communities, and fail to deliver sustainable results for the people who need a hand up.

Chart 7



Source: Congressional Research Service.

Benefits

Food stamp benefits are issued in monthly amounts called an allotment. States provide the allotments to recipients through an electronic benefits transfer (EBT) system. Recipients can use EBT cards at authorized retailers similarly to a debit card purchase that deducts from the recipient's account. Purchases made using food stamp benefits are exempted from state sales taxes.²⁷

The monthly allotment amount provided to eligible households is calculated based on factors including the household size, income, and the maximum available allotment.²⁸ Recipients are assumed to spend 30 percent of their monthly net income on food, so the monthly allotment is equal to the maximum allotment for the household size minus 30 percent of the household's net income. Thus, a household with no income would receive the maximum allotment.

²⁷ Congressional Research Service, "Supplemental Nutrition Assistance Program (SNAP): A Primer on Eligibility and Benefits," September 8, 2023, <https://crsreports.congress.gov/product/pdf/R/R42505> (accessed February 1, 2024).

²⁸ 7 U.S.C. 2017.

Table 1

2024 Maximum Allotment by Household Size		
Household Size	Max Monthly Benefit 48 States & District of Columbia	Annual
1	\$291	\$3,492
2	\$535	\$6,420
3	\$766	\$9,192
4	\$973	\$11,676
5	\$1,155	\$13,860
6	\$1,386	\$16,632
7	\$1,532	\$18,384
8	\$1,751	\$21,012
Each Additional Person in Household	\$219	\$2,628

Source: USDA

The maximum food stamp allotment for a household of four people is equal to the “Thrifty Food Plan” for a “reference family” of an adult man, an adult woman, and two children. The Thrifty Food Plan is meant to represent the cost of “a nutritious, practical, cost-effective diet prepared at home.”²⁹ Maximum allotments are higher in Alaska, Hawaii, Guam, and the U.S. Virgin Islands.

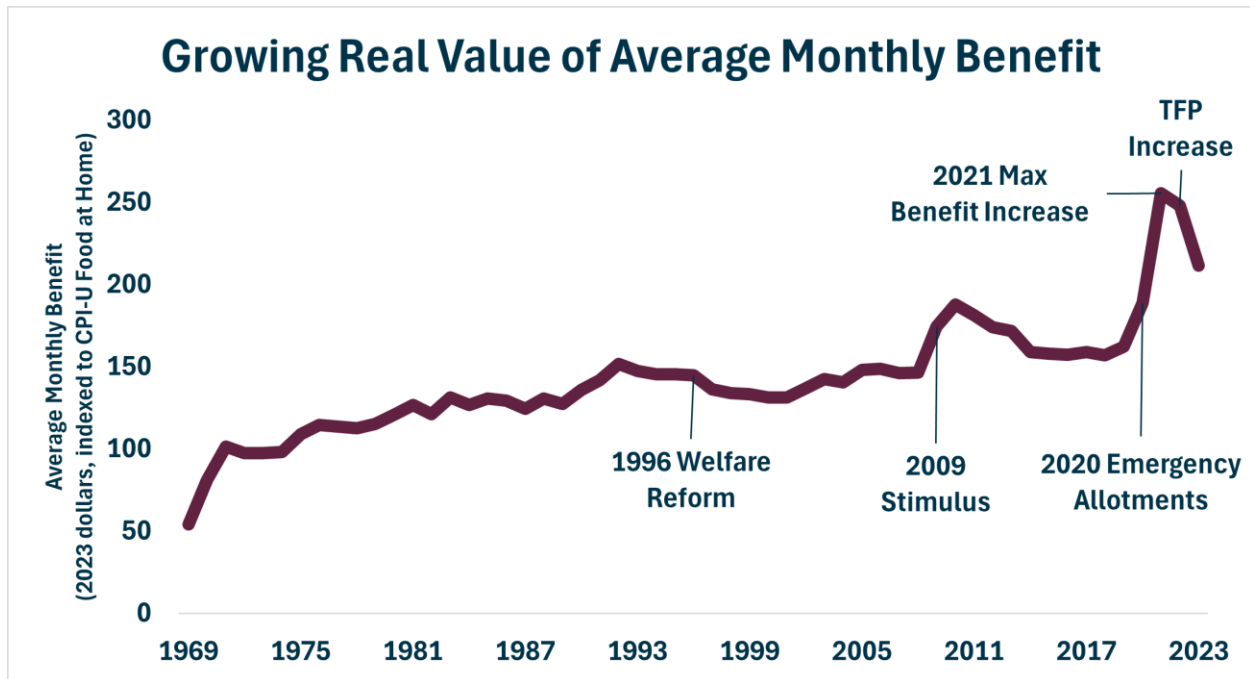
In FY 2024, a household of four people could receive a maximum monthly food stamp allotment of \$973, equating to an annual benefit of \$11,676.³⁰

The maximum allotment receives an annual cost-of-living adjustment (COLA) through a calculation of the Thrifty Food Plan each June to account for inflation. However, food stamp allotments have grown significantly faster than inflation in recent years.

²⁹ U.S. Department of Agriculture, “SNAP and the Thrifty Food Plan,” <https://www.fns.usda.gov/snap/thriftyfoodplan> (accessed December 19, 2023).

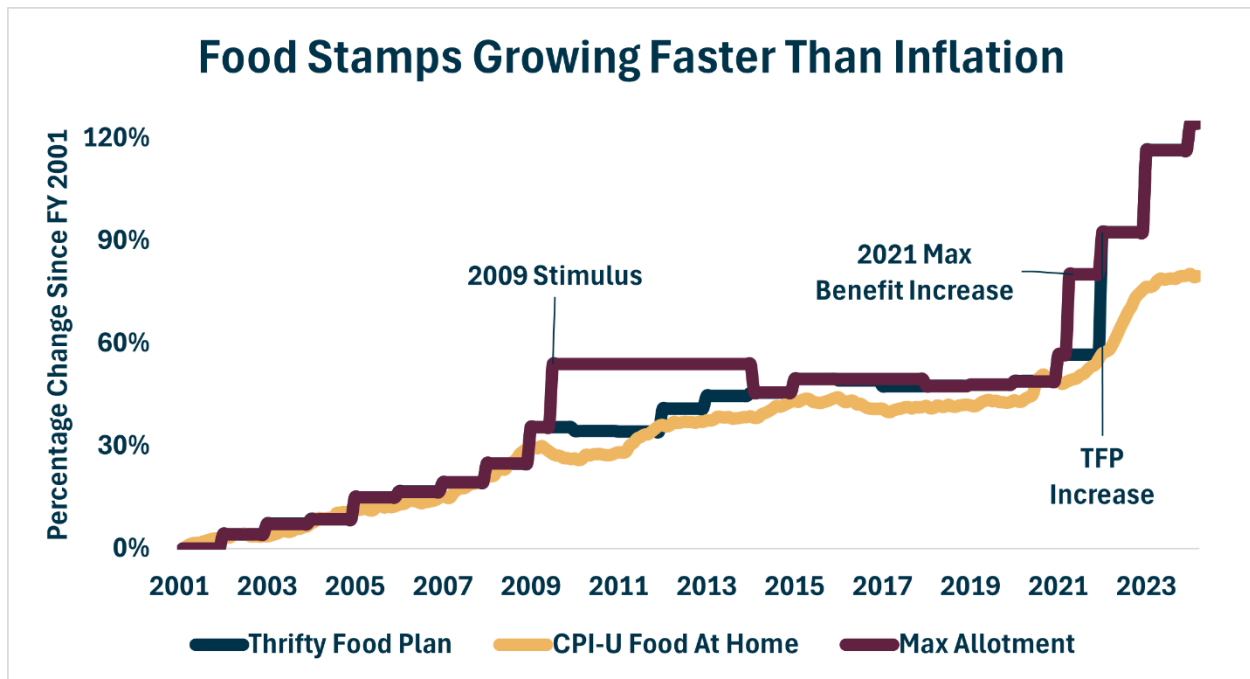
³⁰ U.S. Department of Agriculture, “Cost of Living Adjustment (COLA) Information,” January 4, 2024, <https://www.fns.usda.gov/snap/allotment/COLA> (accessed February 1, 2024).

Chart 8



Benefit levels have grown primarily due to policy changes meant to intentionally increase allotments faster than inflation.

Chart 9



The maximum benefit increased significantly between FY 2008 and 2009 due to an 8.5 percent increase in the Thrifty Food Plan calculation³¹ as well as a provision in Obama's 2009 stimulus law that raised the maximum allotment by an additional 13.6 percent.³² The stimulus law set the artificially increased benefit as a new floor, keeping the 2009 maximum benefit in place even when the normal formula indicated it should be lower. However, Congress later repealed the floor effective October 31, 2013. This allowed the normal Thrifty Food Plan calculation to set the maximum benefit for FY 2014.³³

In March 2020, the Families First Coronavirus Response Act provided "emergency allotments" to all food stamp recipients, overriding the normal 30 percent contribution calculation to provide allotments equal to the maximum benefit for the household size.³⁴ In April 2021, the Biden Administration issued guidance allowing emergency allotments to even exceed the maximum statutory benefit.³⁵ Emergency allotments were available at the request of a state agency through the duration of the COVID-19 public health emergency declaration. Emergency allotments finally ended in February 2023, well after President Biden declared "the pandemic is over," pursuant to a provision in the FY 2023 Consolidated Appropriations Act.³⁶

The FY 2021 Omnibus signed into law in December 2020 included a provision increasing the maximum benefit by 15 percent through June 30, 2021.³⁷ President Biden's American Rescue Plan Act extended the increased maximum benefit through September 30, 2021.³⁸

The Biden Administration then unilaterally increased food stamp benefits by 21.03 percent through a "reevaluation" of the Thrifty Food Plan in 2021.³⁹ As mentioned

³¹ Arthur T. Foley, "Cost-of-Living Adjustments of the Maximum Supplemental Nutrition Assistance Program (SNAP) Allotments," U.S. Department of Agriculture, July 31, 2008, <https://www.fns.usda.gov/snap/allotment/maximum-cost-of-living-adjustments-2009> (accessed February 1, 2024).

³² Arthur T. Foley, "Economic Stimulus - Adjustments to the Maximum Supplemental Nutrition Assistance Program Monthly Allotments," U.S. Department of Agriculture, February 18, 2009, <https://www.fns.usda.gov/snap/allotment/maximum-monthly-adjustments> (accessed February 1, 2024).

³³ Congressional Research Service, "Background on the Scheduled Reduction to Supplemental Nutrition Assistance Program (SNAP) Benefits," October 23, 2013, <https://crsreports.congress.gov/product/pdf/R/R43257/6> (accessed February 1, 2024).

³⁴ Families First Coronavirus Response Act, Public Law 116-127.

³⁵ Jessica Shahin, "SNAP – Emergency Allotments," U.S. Department of Agriculture, April 1, 2021, <https://www.fns.usda.gov/snap/emergency-allotments-update-040121> (accessed February 1, 2024).

³⁶ U.S. Department of Agriculture, "Changes to SNAP Benefit Amounts – 2023," November 7, 2023, <https://www.fns.usda.gov/snap/changes-2023-benefit-amounts> (accessed February 1, 2024).

³⁷ Sasha Gersten-Paal, "SNAP - Changes in Combined Application Project Benefit Allotments due to the Consolidated Appropriations Act 2021," U.S. Department of Agriculture, January 29, 2021, <https://www.fns.usda.gov/snap/changes-cap-benefit-allotments> (accessed February 1, 2024).

³⁸ Sasha Gersten-Paal, "SNAP – Extension of Temporary Increase in Maximum Allotments due to COVID-19," U.S. Department of Agriculture, March 12, 2021, <https://www.fns.usda.gov/snap/Extension-of-Temporary-Increase-in-Maximum-Allotments> (accessed February 1, 2024).

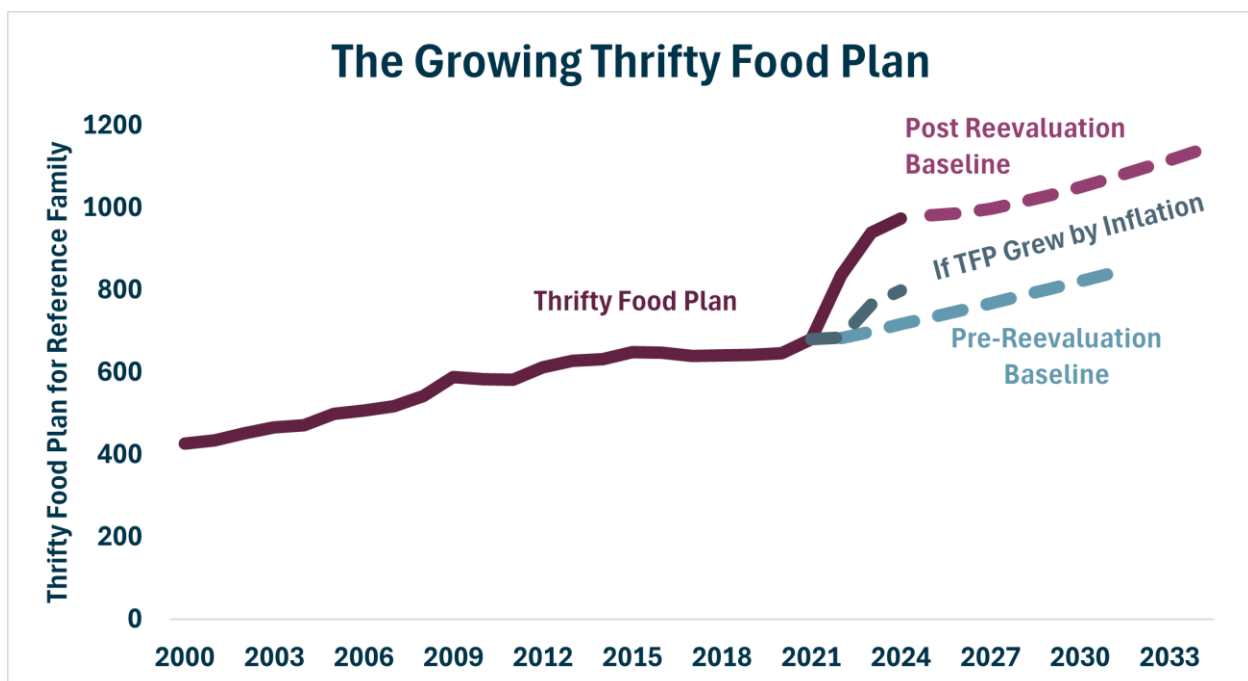
³⁹ U.S. Department of Agriculture, "Thrifty Food Plan, 2021," August 2021, <https://www.fns.usda.gov/cnpp/thrifty-food-plan-2021> (accessed February 1, 2024).

previously, the Thrifty Food Plan calculation is normally updated each year for inflation to provide a cost-of-living-adjustment for food stamp benefits.

The Thrifty Food Plan also underwent three prior reevaluations in 1983, 1999, and 2006 to update changes in dietary guidelines and consumption patterns, but importantly, these reevaluations remained cost neutral with only adjustments for inflation.

The Biden Administration broke precedent and violated Congress’s budget neutrality intent for the purposes of keeping food stamp benefits elevated after the expiration of the emergency allotments and 15 percent maximum benefit increase. The Congressional Budget Office estimated that the TFP reevaluation will result in \$250 to \$300 billion in higher spending over the fiscal year 2022–2031 period.⁴⁰ The USDA’s process in reevaluating the TFP was severely criticized by the U.S. Government Accountability Office (GAO).⁴¹

Chart 10



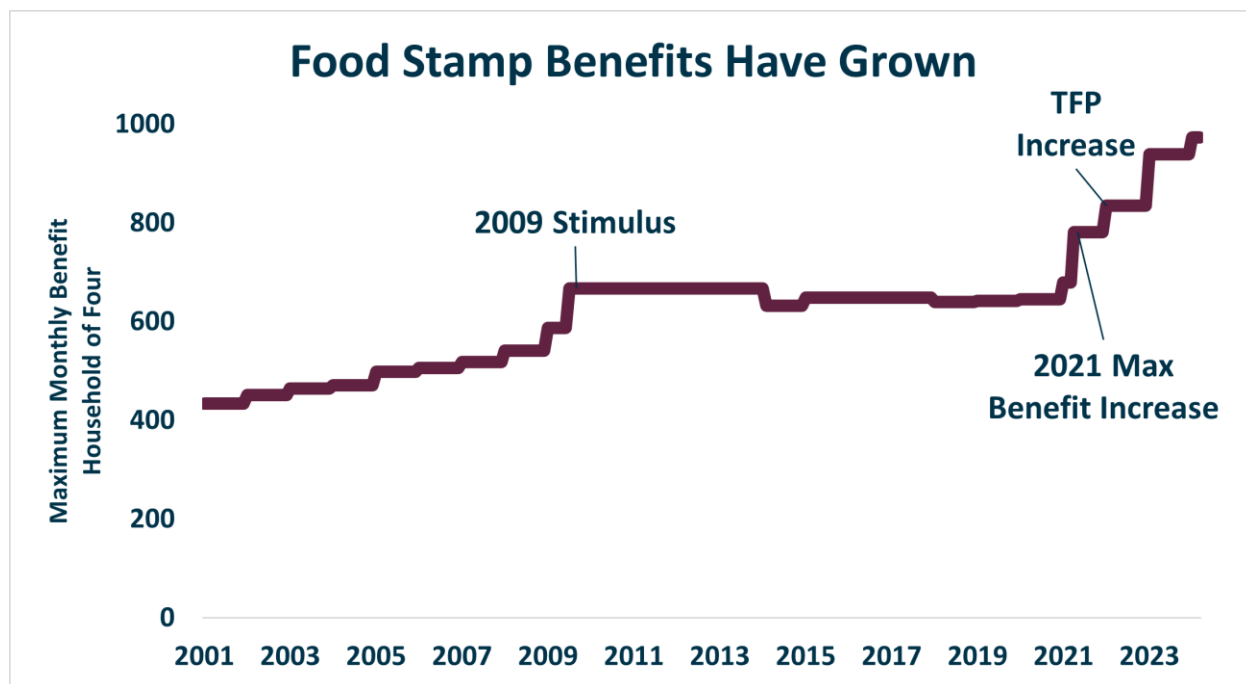
Sources: U.S. Department of Agriculture, Congressional Budget Office, and Bureau of Labor Statistics.

⁴⁰ Phillip L. Swagel, “The Cost of Eight Executive Actions Taken by the Biden Administration,” Congressional Budget Office, June 2022, 2022, <https://www.cbo.gov/publication/58231> (accessed December 19, 2023).

⁴¹ U.S. Government Accountability Office, “Thrifty Food Plan: Better Planning and Accountability Could Help Ensure Quality of Future Reevaluations,” GAO-23-105450, December 14, 2022, <https://www.gao.gov/products/gao-23-105450> (accessed December 19, 2023); and Edda Emmanuelli Perez, “United States Department of Agriculture—Applicability of the Congressional Review Act to the 2021 Updates to the Thrifty Food Plan,” U.S. Government Accountability Office, B-333732, July 28, 2022, <https://www.gao.gov/products/b-333732> (accessed December 19, 2023).

As a result of these multiple changes, the maximum allotment for a family of four has more than doubled since 2001, growing from \$434 per month (\$5,208 per year) to \$973 per month (\$11,676 per year) in FY 2024. Actual food stamp benefit levels are about 21 percent higher than they would have been if they had grown with inflation. If benefits had grown with the chained consumer price index for food at home since 2021, the maximum allotment for a family of four in FY 2024 would have been \$798 per month (\$9,576 per year).

Chart 11



Source: U.S. Department of Agriculture.

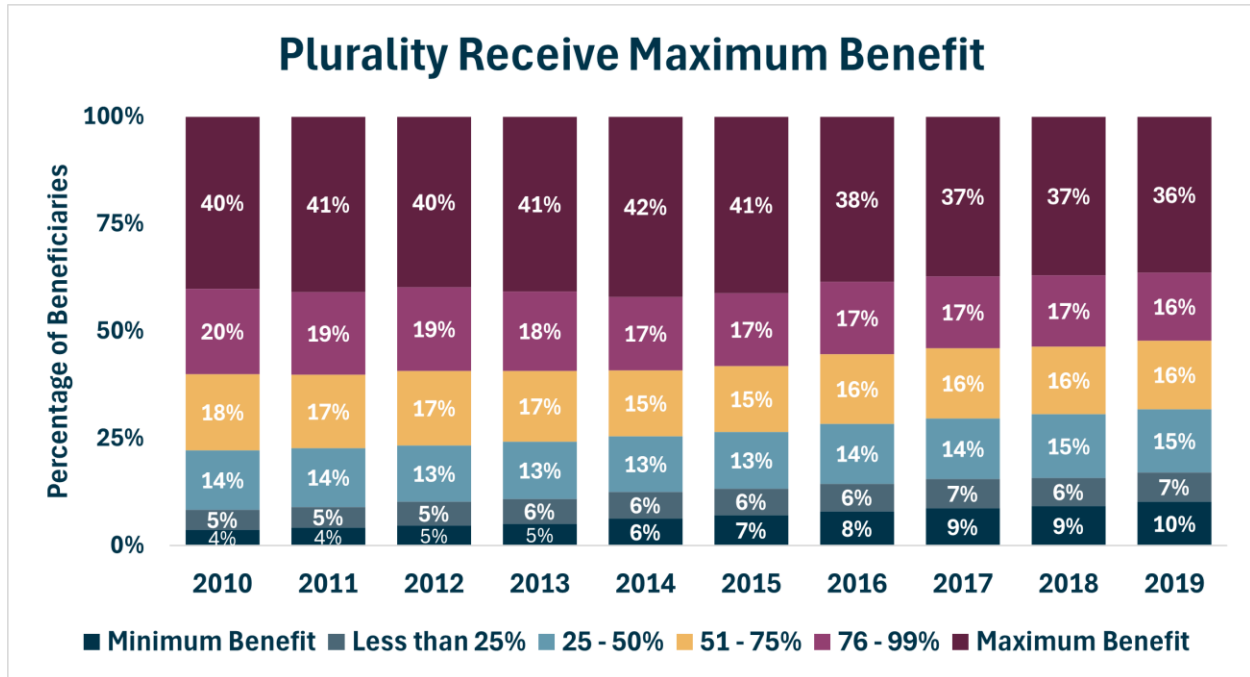
Most food stamp recipients qualify for the maximum benefit or close to the maximum benefit.⁴² Over the FY 2010–2019 period, an average of 39 percent of food stamp beneficiaries received the maximum benefit level and another 17.7 percent received between 75 and 99 percent of the maximum benefit. Over that time period, an average of 73.5 percent of recipients collected more than 50 percent of the maximum benefit level. Only 26.5 percent received an allotment of 50 percent or less of the maximum benefit.

The proportion of people receiving the minimum monthly benefit has also increased in recent years. This is due to the increase in one- and two- person households enrolled in

⁴² Data compiled from USDA Characteristics of SNAP Households reports. U.S. Department of Agriculture, "Data & Research," Characteristics of SNAP Households reports, FY 2010 – 2020, <https://www.fns.usda.gov/data-research?keywords=characteristics&f%5B0%5D=program%3A2> (accessed February 2, 2024). FY 2019 is the latest complete data available.

the food stamp program (the minimum benefit is only provided to single and two-person households).

Chart 12



Source: U.S. Department of Agriculture.

The Use of Benefits

EBT cards may be used only at retailers participating in the food stamp program and approved by state agencies. Only “food or food product for home consumption” is eligible for purchase with food stamp benefits. However, hot foods for immediate consumption are not eligible.⁴³ Alcohol and tobacco are also explicitly prohibited. Unlike other nutrition assistance programs, there are few other guidelines about eligible foods.

Food stamp recipients spend significant portions of their allotments on junk food.⁴⁴ As explained by Angela Rachidi and Thomas O’Rourke at the American Enterprise Institute, the food stamp program “has no nutritional standards, allowing participants to purchase any food or beverage product intended for consumption, except alcohol. As a

⁴³ 7 USC 2012(k).

⁴⁴ Steven Garasky, Kassim Mbwana, Andres Romualdo, Alex Tenaglio, and Manan Roy, “Foods Typically Purchased by Supplemental Nutrition Assistance Program (SNAP) Households,” U.S. Department of Agriculture, November 2016, <https://fns-prod.azureedge.us/sites/default/files/ops/SNAPFoodsTypicallyPurchased.pdf> (accessed January 5, 2024).

result, data show that sizable portions of SNAP dollars purchase nonnutritious foods, such as sugary beverages and ultra-processed foods, which can lead to poor health.”⁴⁵

Table 2

Top Items Purchased with Food Stamps			
Rank	Item Purchased	Rank	Item Purchased
1	Soft Drinks	11	Candy
2	Fluid Milk	12	Infant Formula
3	Ground Beef	13	Frozen Pizza
4	Bag Snacks	14	Refrigerated Juices/Drinks
5	Cheese	15	Ice Cream
6	Baked Breads	16	Coffee and Creamers
7	Cold Cereal	17	Cookies
8	Fresh Chicken	18	Water
9	Frozen Handhelds and Snacks	19	Shelf Stable Juice
10	Lunchmeat	20	Eggs/Muffins/Potatoes

Source: USDA

Characteristics of Recipients

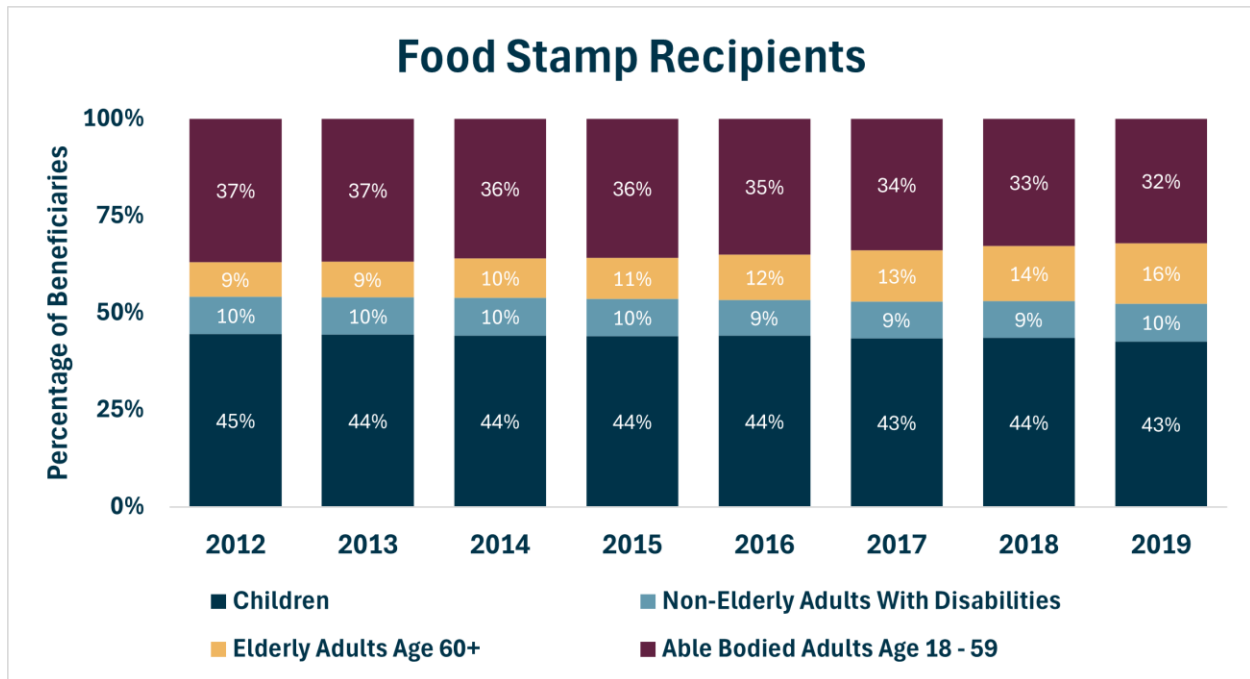
Children make up about 44 percent of all food stamp recipients. Although the ratio of individual recipients who are children has stayed fairly consistent over the last decade, the proportion of food stamp households with children has fallen since the 1990s. In 1990, 60.3 percent of food stamp households included a child, while only 39.5 percent of food stamp households included a child in 2019.

A significant number of food stamp recipients are able-bodied adults. Between FY 2012 and 2019, an average of 35 percent of food stamp recipients were able-bodied adults, although this percentage fell slightly from 37 percent in 2012 to 32 percent in 2019.⁴⁶

⁴⁵ Angela Rachidi and Thomas O'Rourke, "Promoting Mobility Through SNAP: Toward Better Health and Employment Outcomes," American Enterprise Institute, May 1, 2023, <https://www.aei.org/research-products/report/promoting-mobility-through-snap-toward-better-health-and-employment-outcomes/> (accessed January 5, 2024).

⁴⁶ Data compiled from USDA Characteristics of SNAP Households reports. U.S. Department of Agriculture, "Data & Research," Characteristics of SNAP Households reports, FY 2010 – 2020, <https://www.fns.usda.gov/data-research?keywords=characteristics&f%5B0%5D=program%3A2> (accessed February 2, 2024). FY 2019 is the latest complete data available.

Chart 13



Just as the overall U.S. population is getting older, so too is the proportion of food stamp recipients that are elderly. Between 2012 to 2019, the percentage of recipients who were age 60 or older rose from 9 percent to 16 percent.

Since the 1990s, there has been a noticeable uptick in the percentage of food stamp households with a disabled individual.⁴⁷ In 1990, 8.9 percent of food stamp households included a non-elderly individual with a disability. By 2019, the percentage had increased to 21.1 percent of food stamp households.

Categorical Eligibility

Millions of food stamp recipients do not meet the program's own statutory income and asset limit rules.

That is because states may provide food stamps to households that receive benefits through TANF, SSI, and state-funded GA programs, even if the household does not meet the food stamp income or asset requirements. Through broad-based categorical

⁴⁷ Data compiled from USDA Characteristics of SNAP Households reports. U.S. Department of Agriculture, "Data & Research," Characteristics of SNAP Households reports, Table A.27, FY 2010 – 2020, <https://www.fns.usda.gov/data-research?keywords=characteristics&f%5B0%5D=program%3A2> (accessed February 2, 2024).

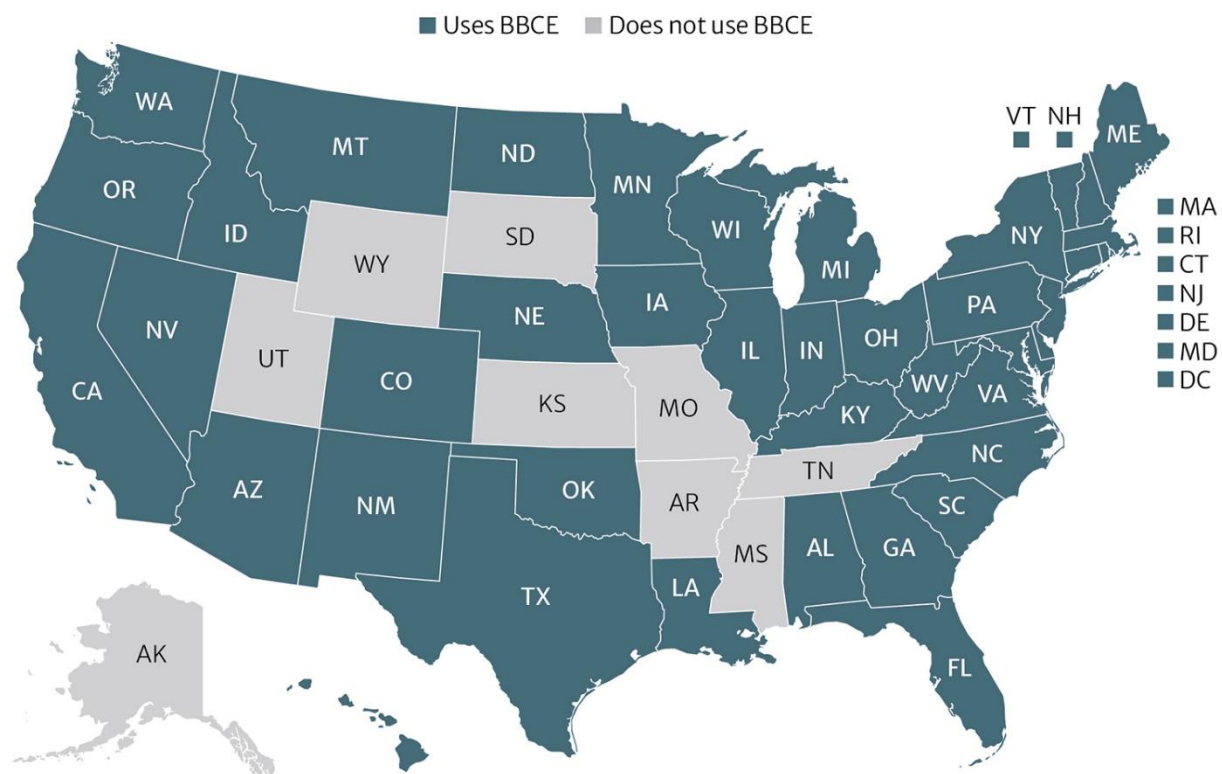
eligibility (BBCE), the “benefits” provided by TANF that confer food stamp eligibility can be as limited as being provided a brochure or a pamphlet. Through the BBCE loophole, states can use federal money intended to help low-income families instead provide a token “benefit,” which unlocks additional federally-financed welfare payments to a person who would not otherwise be eligible under the law.

Regulations even provide that “Individuals authorized to receive PA [Public Assistance], SSI, or GA benefits but who have not yet received payment are considered recipients of benefits from those programs.”⁴⁸

In FY 2024, 44 states and territories provide BBCE for food stamps. Many of these states allow participation for households with gross income of 200 percent of the federal poverty line (versus the 130 percent limit in the underlying law) and completely waive the asset limits.⁴⁹

Figure 1

States Using Broad-Based Categorical Eligibility (BBCE) for SNAP Benefits



Source: U.S. Department of Agriculture

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⁴⁸ 7 C.F.R. 273.2, <https://www.ecfr.gov/current/title-7/subtitle-B/chapter-II/subchapter-C/part-273/subpart-A/section-273.2> (accessed February 1, 2024).

⁴⁹ U.S. Department of Agriculture, “Broad-Based Categorical Eligibility (BBCE),” January 12, 2024, <https://www.fns.usda.gov/snap/broad-based-categorical-eligibility> (accessed February 1, 2024).

BBCE allows millionaires⁵⁰ and thousands of lottery winners⁵¹ to receive food stamp benefits.

Categorical eligibility has expanded over time, both in terms of the programs that can qualify for food stamp categorical eligibility and the use of categorical eligibility by states. In 2007, 29 states used BBCE. The number grew to 36 in 2010.

The Food Security Act of 1985 provided categorical eligibility for food stamps for households receiving cash welfare benefits. The eligibility rules, including the asset test, for the Aid to Families with Dependent Children (AFDC) program were more restrictive than for food stamps. TANF, which replaced AFDC in the 1996 welfare reform law, proved states with broad flexibility for eligibility criteria as well as the types of benefits that could be provided beyond cash welfare. Most TANF spending is now for non-cash benefits. The Clinton Administration issued regulations allowing states to make a household eligible for the food stamp program if it receives or is authorized to receive non-cash TANF benefits.⁵² Guidance from the Obama Administration further encouraged states to utilize BBCE.⁵³

The USDA does not explicitly report the number of food stamp recipients who receive benefits via categorical eligibility. States are not even required to record the asset levels of recipients who are conferred benefits under BBCE. In FY 2019, 6.6 percent of households receiving food stamps had gross incomes above the statutory limit. These households included 2.1 million food stamp recipients.⁵⁴

The Foundation for Government Accountability estimates that about 5.4 million food stamp recipients are made eligible through BBCE, with 4 million having assets above the program's own statutory limits and 1.4 million with incomes above the limits. Ending BBCE could save taxpayers billions, and reserve program funding for the truly needy, the population it was intended to serve.⁵⁵

⁵⁰ Julia Limitone, "How this Minnesota millionaire received 'hundreds of dollars' in food stamps," Fox Business, June 20, 2019, <https://www.foxbusiness.com/personal-finance/how-this-minnesota-millionaire-receives-hundreds-of-dollars-of-food-stamps> (accessed May 8, 2024).

⁵¹ Brianna Herlihy, "65,000 stayed on food stamp rolls despite winning big in lottery, government data show," Fox News, October 21, 2023, <https://www.foxnews.com/us/65000-stayed-food-stamp-rolls-despite-winning-big-lottery-government-data-show> (accessed May 8, 2024).

⁵² 7 C.F.R. 273.2, <https://www.ecfr.gov/current/title-7/subtitle-B/chapter-II/subchapter-C/part-273/subpart-A/section-273.2> (accessed February 1, 2024).

⁵³ In the 2009 policy memo, the Obama USDA rebranded what was then called "expanded categorical eligibility" to what is now called "broad-based categorical eligibility." Jessica Shahin, "Improving Access to SNAP through Broad-Based Categorical Eligibility," U.S. Department of Agriculture, September 30, 2009, <https://www.fns.usda.gov/snap/eligibility/BBCE-improving-access> (accessed May 8, 2024).

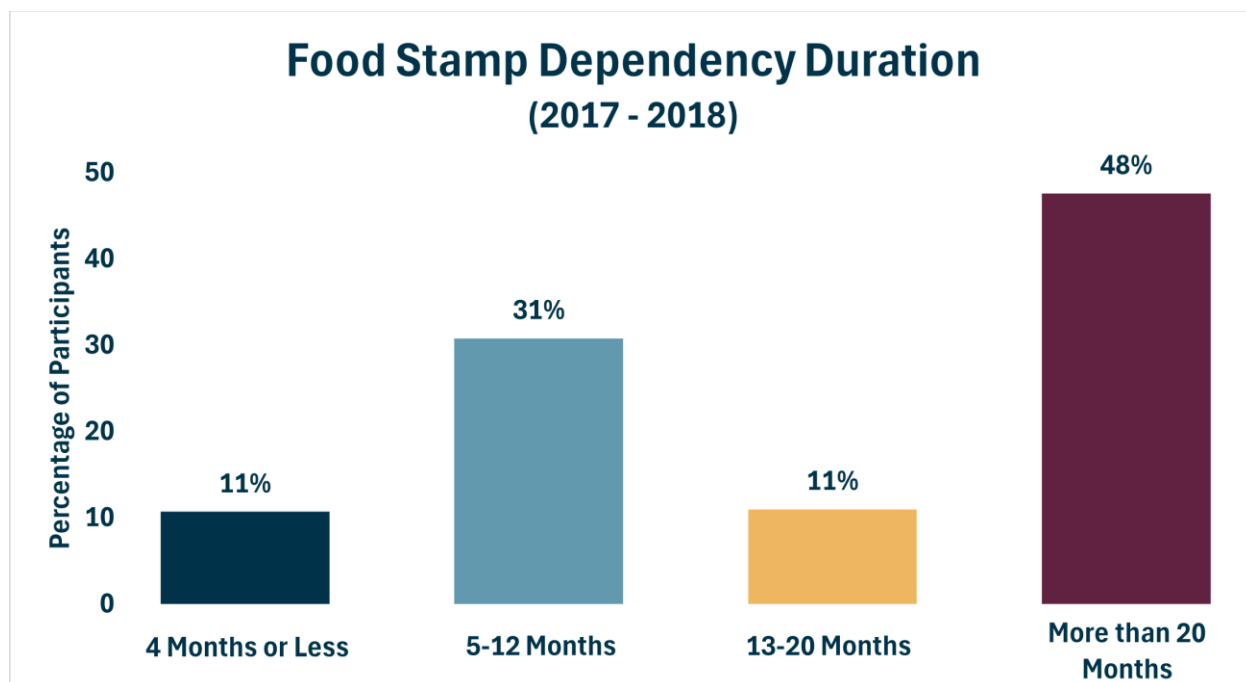
⁵⁴ Data compiled from USDA Characteristics of SNAP Households reports. U.S. Department of Agriculture, "Data & Research," Characteristics of SNAP Households reports, FY 2010 – 2020, <https://www.fns.usda.gov/data-research?keywords=characteristics&f%5B0%5D=program%3A2> (accessed February 2, 2024). FY 2019 is the latest complete data available.

⁵⁵ Paige Terryberry, "How Congress Can Protect the Truly Needy and Restore Program Integrity to Food Stamps by Ending Broad-Based Categorical Eligibility," The Foundation for Government Accountability, August

Lengthening Dependency Duration

The food stamp program has a troubling “dependency curve.” Of those on food stamps in 2017 and 2018, 58.6 percent had received benefits for more than a year, with 47.6 percent receiving benefits for 20 or more months. Only 10.7 percent had a short-term period of receipt of four or fewer months.⁵⁶

Chart 14



Source: U.S. Department of Health and Human Services.

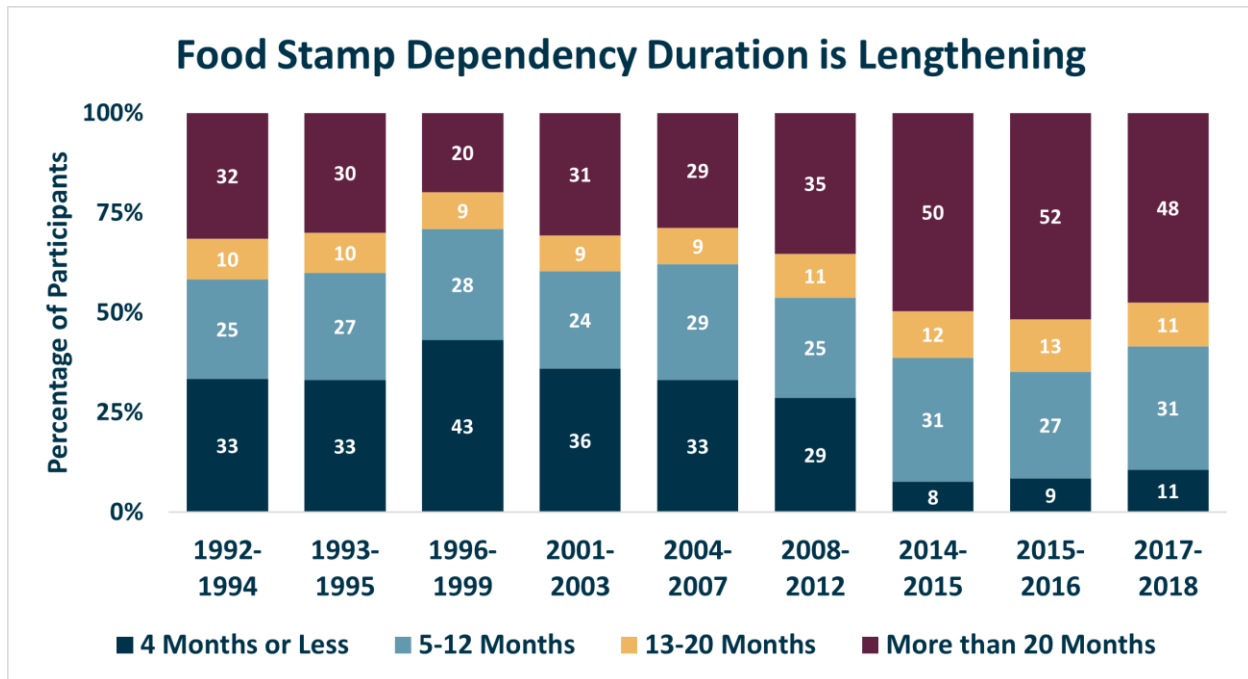
The reported duration of dependency on food stamp benefits has lengthened over time. After welfare reform, 71 percent of recipients had periods of receipt of a year or less, while 21 percent were on food stamps for longer than a year.⁵⁷

14, 2023, <https://thefga.org/research/how-congress-can-protect-needy-by-ending-bbce/> (accessed February 1, 2024); and Congressional Budget Office, “Tighten Eligibility for the Supplemental Nutrition Assistance Program,” December 13, 2018, <https://www.cbo.gov/budget-options/2018/54829> (accessed February 17, 2024).

⁵⁶ U.S. Department of Health and Human Services, “Welfare Indicators and Risk Factors 22nd Report to Congress,” April 2023, <https://aspe.hhs.gov/sites/default/files/documents/d3882fe364d9b92d5ed1b1312c5dedba/22nd-welfare-indicators-rtc.pdf> (accessed February 2, 2024).

⁵⁷ Data compiled from HHS Indicators of Welfare Dependence Annual Reports to Congress. Office of the Assistant Secretary for Planning and Evaluation, “Indicators of Welfare Dependence: Annual Report to Congress,” 1997 – 2023, <https://aspe.hhs.gov/indicators-welfare-dependence-annual-report-congress> (accessed February 2, 2024).

Chart 15



The noticeable increase in reported benefit receipt duration from the 2008–2012 data to data reported after 2014 may be due, in part, to a redesign of the Census survey implemented in 2014 that was meant to improve data collection over longer periods.⁵⁸

This transition to longer reported periods of benefit receipt also coincides with an increase in the participation rate of food stamp eligible households. Over the 2008–2012 period, an average of 76.8 percent of eligible households received food stamp benefits, while the participation rate averaged 85.7 percent over the 2014–2019 period.⁵⁹

⁵⁸ U.S. Census Bureau, “SIPP Introduction & History,” August 16, 2022, <https://www.census.gov//programs-surveys/sipp/about/sipp-introduction-history.html> (accessed January 16, 2024).

There could also be variance in the quality of data for reported short-term Food Stamp benefit receipt duration. A Census working paper that matched administrative data to the Census Survey of Income and Program Participation (SIPP) survey data over the 2013 to 2019 period found that “partial-year receipt is the least likely to be accurately captured in SIPP,” and that “for those who received SNAP for just part of the year, SIPP is more likely to underestimate than overestimate the total months received during the year.” See Katherine G. Giefer, Michael D. King, Veronica L. Roth, “SNAP Receipt in SIPP: Using Administrative Records to Evaluate Data Quality,” U.S. Census Bureau, Working Paper Number SEHSD-WP2022-22, November 14, 2022, <https://www.census.gov/library/working-papers/2022/demo/SEHSD-wp2022-22.html> (accessed January 16, 2024).

⁵⁹ U.S. Department of Health and Human Services, “Welfare Indicators and Risk Factors 22nd Report to Congress,” April 2023, <https://aspe.hhs.gov/sites/default/files/documents/d3882fe364d9b92d5ed1b1312c5dedba/22nd-welfare-indicators-rtc.pdf> (accessed February 2, 2024).

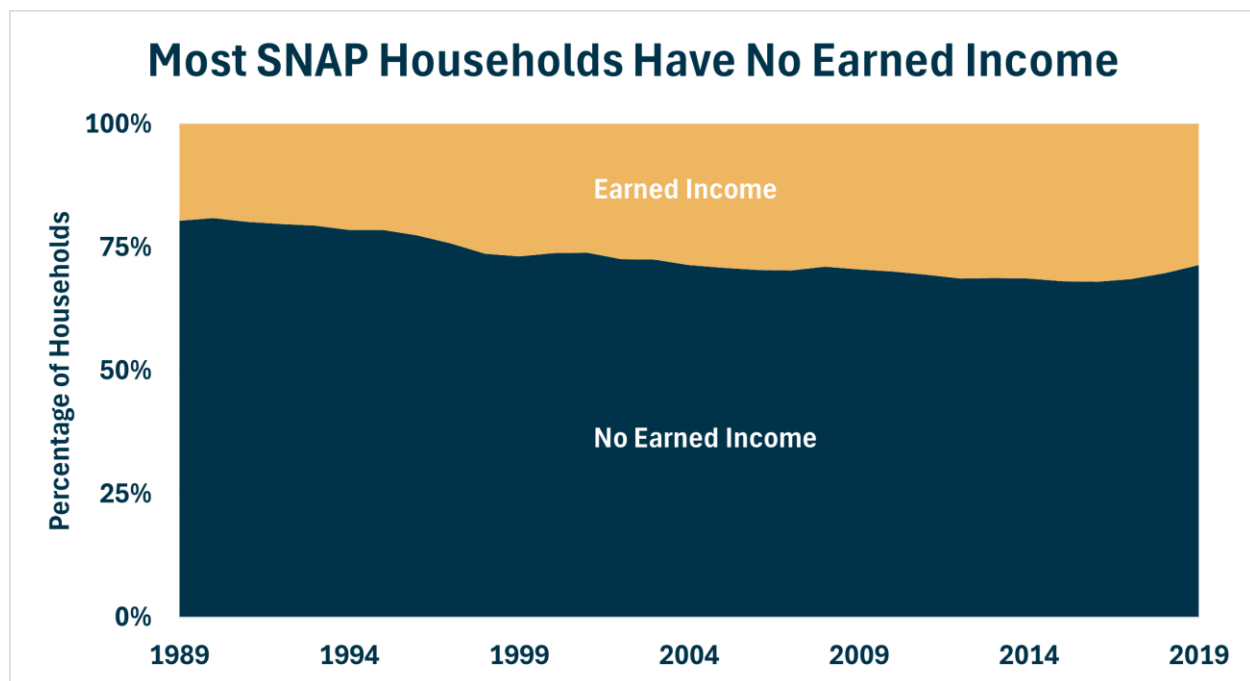
Other than the often-waived work requirement for ABAWDs, the food stamp program has no time limits for how long a person can receive benefits.

Work by Food Stamp Recipients

Few adult food stamp recipients work, even those subject to work requirements.

In FY 2019, only 28.6 percent of food stamp households had any earned income, while 71.4 percent had no earned income. The percentage of households with earned income has increased since work requirements first went into effect in 1997, rising from an average of 20.4 percent between 1990–1995 to an average of 30.9 over the 2014–2019 period.⁶⁰

Chart 16



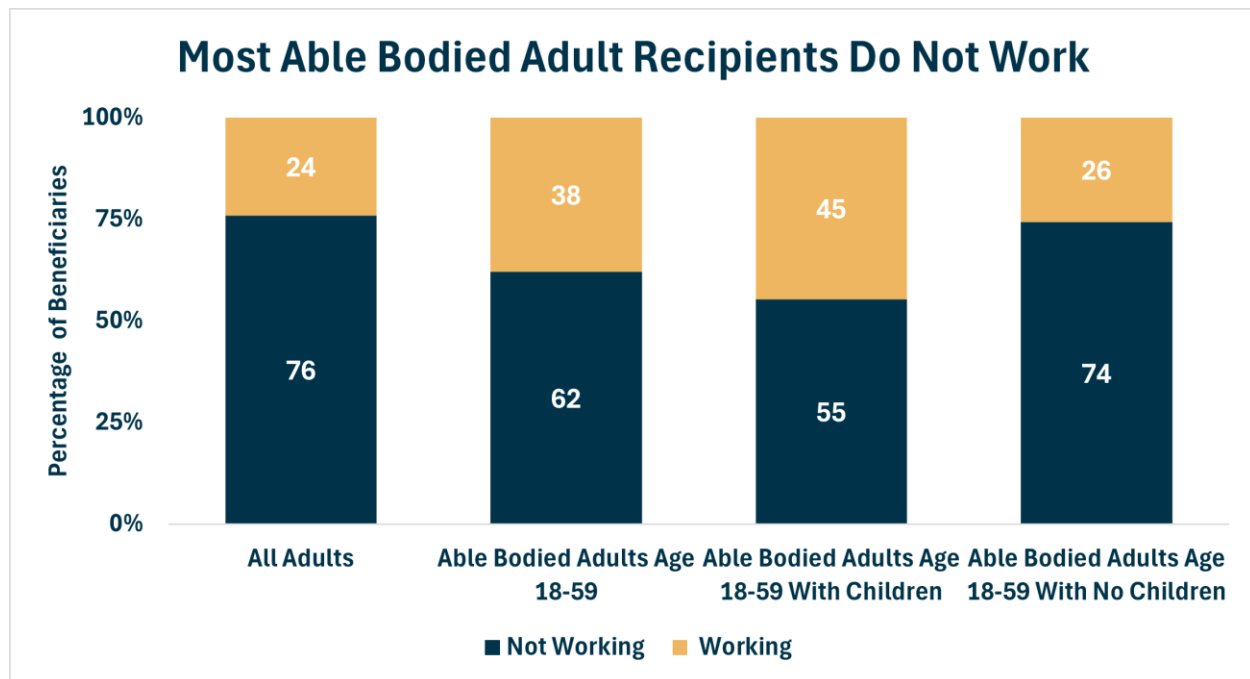
Source: U.S. Department of Agriculture.

⁶⁰ Data compiled from USDA Characteristics of SNAP Households reports. U.S. Department of Agriculture, "Data & Research," Characteristics of SNAP Households reports, FY 2010 – 2020, <https://www.fns.usda.gov/data-research?keywords=characteristics&f%5B0%5D=program%3A2> (accessed February 2, 2024).

Certain Census Bureau surveys show a lower percentage of Food Stamp households without workers than the USDA Quality Control database, which is based on actual casefiles. Angela Rachidi of the American Enterprise Institute cautions against using the Census surveys, citing measurement errors and misrepresentations of the data. See Angela Rachidi and Thomas O'Rourke, "Employment in SNAP: Setting the Record Straight," American Enterprise Institute, July 12, 2023, <https://www.aei.org/center-on-opportunity-and-social-mobility/employment-in-snap-setting-the-record-straight/> (accessed February 13, 2024).

Most able-bodied adults who receive food stamp benefits do not work. Over the 2017–2019 period, an average of 38 percent of able-bodied adults receiving food stamps were employed, while 62 percent did not work at all.⁶¹

Chart 17



Source: U.S. Department of Agriculture.

Of the population of able-bodied adults who receive food stamps, parents work more than childless adults. This is notable because only adults *without* dependents are subject to work requirements, while parents are excluded from work requirements.

Over the FY 2017–2019 period, an average of 45 percent of able-bodied adults on food stamps with children worked, compared to just 26 percent of childless able-bodied adults. The difference in full-time employment is particularly stark, with five times the percentage of parents working full-time compared to non-parents.⁶²

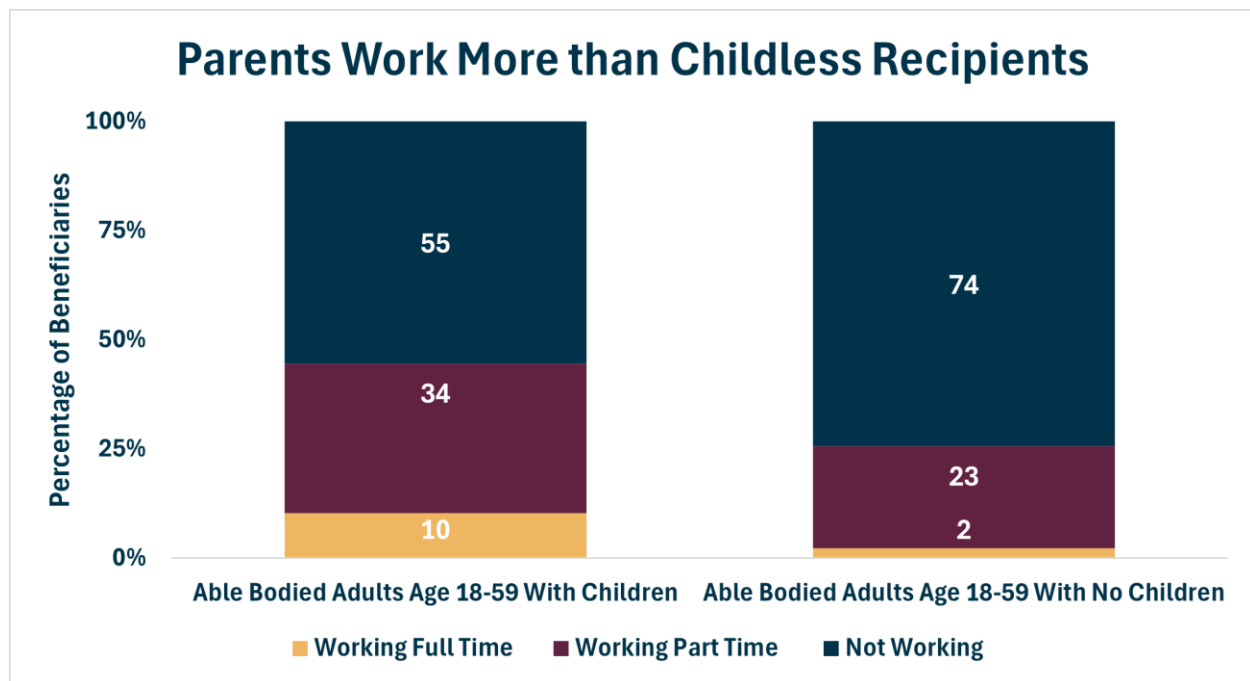
⁶¹ Data compiled from USDA Characteristics of SNAP Households reports. U.S. Department of Agriculture, “Data & Research,” Characteristics of SNAP Households reports, FY 2010 – 2020, <https://www.fns.usda.gov/data-research?keywords=characteristics&f%5B0%5D=program%3A2> (accessed February 2, 2024). FY 2019 is the latest complete data available.

⁶² Data compiled from USDA Characteristics of SNAP Households reports. U.S. Department of Agriculture, “Data & Research,” Characteristics of SNAP Households reports, FY 2010 – 2020, <https://www.fns.usda.gov/data-research?keywords=characteristics&f%5B0%5D=program%3A2> (accessed February 2, 2024).

At first, this result might seem counterintuitive, under the assumption that having young children is too time-consuming or demanding to allow parents to work.

However, parents have more reasons to work. Parents obviously have a strong incentive to provide for their families. EPIC Senior Fellow Rachel Greszler has found that the decline in the employment-to-population ratio after the COVID-19 pandemic has been driven by the decline in work by those without children, while employment by men and women with children has increased.⁶³

Chart 18



Source: U.S. Department of Agriculture.

Only 18 percent of ABAWDs age 18-49 worked the 20 or more hours per week needed to satisfy the work requirement through employment between FY 2017 and 2019. This means that 82 percent of those subject to the work requirement did not work enough hours.⁶⁴

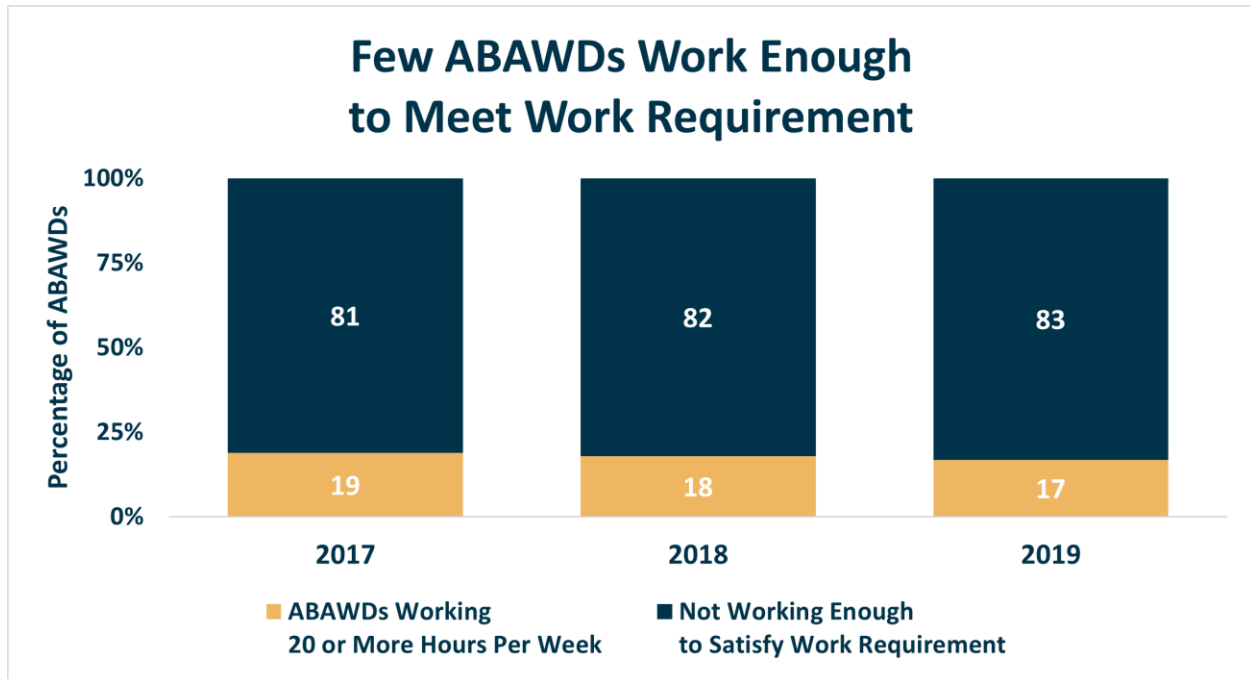
These ABAWDs potentially could have satisfied the work requirement through job training or volunteering. However, it is most likely that these work-capable adults were

⁶³ Rachel Greszler, "Who Are the 2.6 Million Missing Workers?," Economic Policy Innovation Center, January 16, 2024, <https://epicforamerica.org/blog/who-are-the-2-6-million-missing-workers/>.

⁶⁴ Data compiled from USDA Characteristics of SNAP Households reports. U.S. Department of Agriculture, "Data & Research," Characteristics of SNAP Households reports, FY 2010 – 2020, <https://www.fns.usda.gov/data-research?keywords=characteristics&f%5B0%5D=program%3A2> (accessed February 2, 2024). FY 2019 is the latest complete data available.

waived or exempted from the work requirements altogether. Analysis from the Foundation for Government Accountability shows that at least 70 percent of ABAWDs were expected to be in areas covered by geographic waivers or provided discretionary exemptions when the work requirement moratorium was lifted in July 2023.⁶⁵

Chart 19



Source: U.S. Department of Agriculture.

⁶⁵ Jonathan Bain and Jonathan Ingram, “Waivers Gone Wild: Congress Must Crack Down On Food Stamp Loopholes,” Foundation for Government Accountability, May 24, 2023, <https://thefga.org/research/waivers-gone-wild-food-stamp-loopholes/> (accessed January 1, 2024).

The table below summarizes data from the USDA on the work efforts of able-bodied food stamp recipients between FY 2017 to 2019, which is the period where complete data is available.

Table 3

Work Status of Food Stamp Recipients 2017 – 2019						
	Average Total Number	Percent Not Working	Percent Working	Percent Working at Least 20 Hours	Percent Working at Least 30 Hours	Percent Working Full Time
All Adults	22,319,000	76	24	18	13	5
Able Bodied Adults Age 18–59	12,959,000	62	38	30	21	7
Able Bodied Adults Age 18–59 With Children	8,371,000	55	45	37	27	10
With Preschool–Age Children	4,217,000	55	45	37	28	11
With Only Older Children	4,154,000	55	45	37	27	10
Able Bodied Adults Age 18–59 in Childless Households	4,588,000	74	26	17	9	2
ABAWDs Age 18–49	2,898,000	73	27	18	10	2
Age 50–59	1,689,000	76	24	14	8	2

Source: USDA Characteristics of SNAP Households reports.
Figures represent averages of FY 2017 – 2019 data.

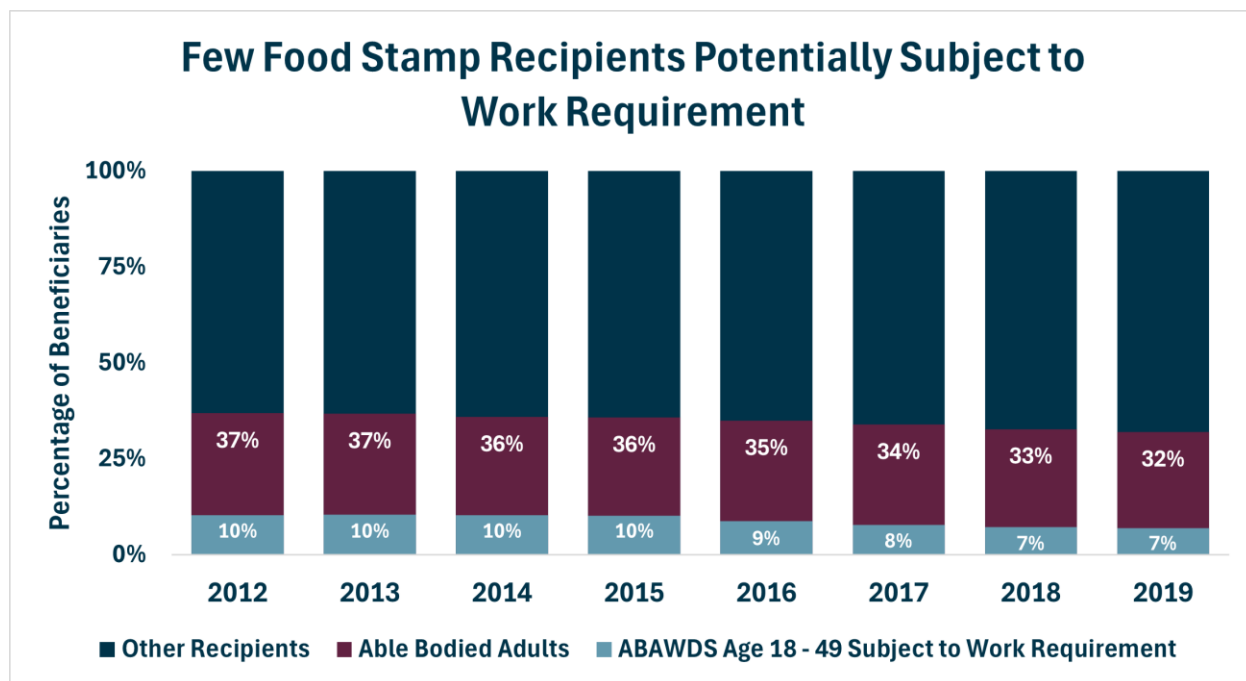
Able Bodied Adults and Work Requirements

Only a fraction of able-bodied adults receiving food stamps are even potentially subject to work requirements. While able-bodied adults make up about one-third of those receiving food stamps, just 7 percent of recipients were ABAWDS aged 18–49 who could potentially be subject to work requirements in FY 2019.⁶⁶

⁶⁶ Data compiled from USDA Characteristics of SNAP Households reports. U.S. Department of Agriculture, “Data & Research,” Characteristics of SNAP Households reports, FY 2010 – 2020, <https://www.fns.usda.gov/data-research?keywords=characteristics&f%5B0%5D=program%3A2> (accessed February 2, 2024). FY 2019 is the latest complete data available.

While updated quality control data is not yet available, the USDA estimates that 9 percent of food stamp recipients at the beginning of FY 2024 were ABAWDs aged 18–49.⁶⁷ This equates to 3.7 million ABAWDs.

Chart 20



We describe the population of ABAWDs aged 18–49 as those who could *potentially* be subject to work requirements. The law states that this population is supposed to work, prepare for work through job training or education, or volunteer as a condition of receiving welfare benefits. As shown above, fewer than 20 percent of these ABAWDs actually work the 20-or-more hours per week required to satisfy the work requirement. This is allowed because the food stamp law is riddled with loopholes that significantly weaken the work requirement.

Analysis from the Foundation for Government Accountability showed that at least 70 percent of ABAWDs aged 18–49 were expected to be in areas covered by geographic

⁶⁷ U.S. Department of Agriculture, “Supplemental Nutrition Assistance Program: Program Purpose and Work Requirement Provisions of the Fiscal Responsibility Act of 2023,” Proposed Rule, Federal Register, Vol. 89, No. 84, (April 30, 2024), pp. 34340-34382, <https://www.govinfo.gov/content/pkg/FR-2024-04-30/pdf/2024-08338.pdf> (accessed May 1, 2024).

waivers or provided discretionary exemptions when the work requirement moratorium was lifted in July 2023.⁶⁸

In the second quarter of FY 2024, 12 states and territories have waived work requirements statewide and 22 states had implemented geographic waivers that covered parts of the state.⁶⁹ The states covered by these statewide and partial waivers had 26.5 million food stamp recipients in FY 2023, comprising 63 percent of all food stamp recipients nationwide.⁷⁰

When these waivers took effect in January 2024, the U.S. unemployment rate was just 3.7 percent. In the states with a statewide or geographic waiver, the weighted average unemployment rate was 4.1 percent.⁷¹ This is less than the than the average U.S. unemployment rate since 2001 of 5.8⁷² percent and is less than the CBO's projected Noncyclical Rate of Unemployment of 4.4 percent, considered the “natural unemployment” or “full employment” rate.⁷³

⁶⁸ Jonathan Bain and Jonathan Ingram, “Waivers Gone Wild: Congress Must Crack Down On Food Stamp Loopholes,” Foundation for Government Accountability, May 24, 2023, <https://thefga.org/research/waivers-gone-wild-food-stamp-loopholes/> (accessed January 1, 2024).

⁶⁹ U.S. Department of Agriculture, “Supplemental Nutrition Assistance Program (SNAP): Status of State Able-Bodied Adult without Dependents (ABAWD) Time Limit Waivers – Fiscal Year 2024 – 2nd Quarter,” January 1, 2024, <https://fns-prod.azureedge.us/sites/default/files/resource-files/FY24-Quarter-2-ABAWD-Waiver-Status.pdf> (accessed January 16, 2024).

⁷⁰ Author calculations based on U.S. Department of Agriculture, “SNAP Data Tables,” National and/or State Level Monthly and/or Annual Data, FY 2023, <https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap> (accessed January 16, 2024).

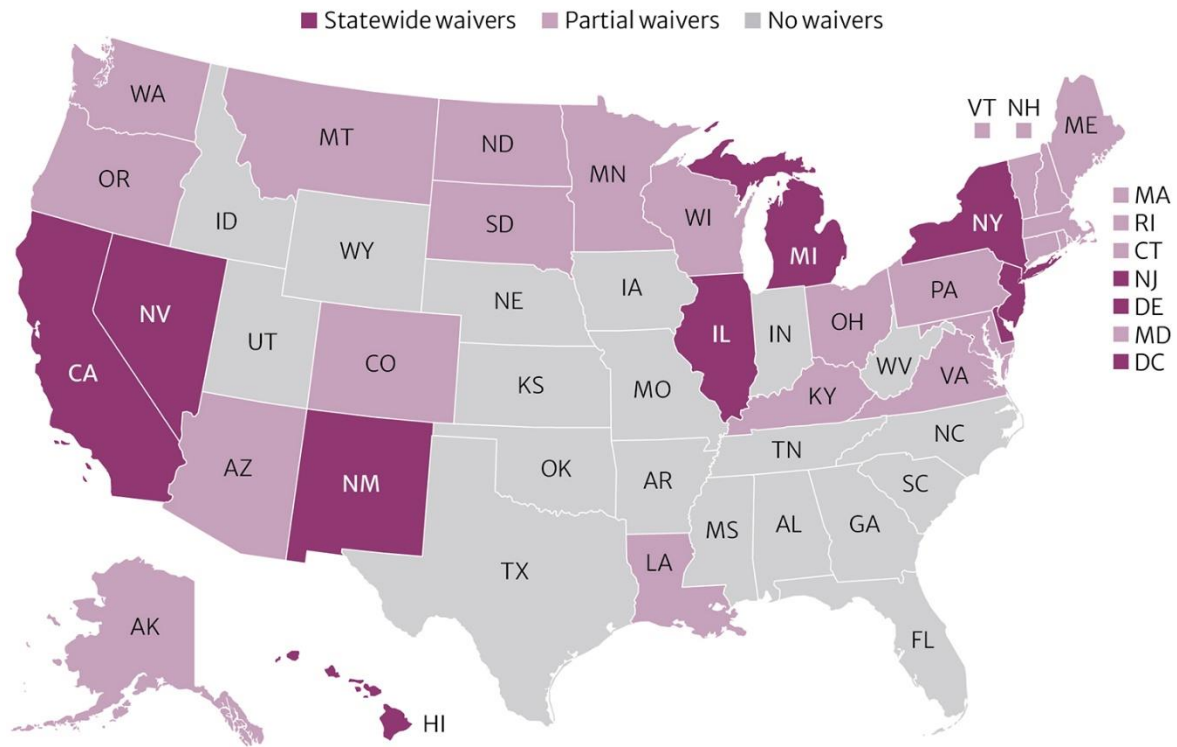
⁷¹ Author's calculations based on Bureau of Labor Statistics, “Unemployment Rates, Seasonally Adjusted,” Local Area Unemployment Statistics, January 2024, <https://www.bls.gov/lau/latest-numbers.htm> (accessed March 13, 2024).

⁷² U.S. Bureau of Labor Statistics, “(Seas) Unemployment Rate,” Labor Force Statistics from the Current Population Survey, Series Id LNS14000000, <https://data.bls.gov/timeseries/LNS14000000> (accessed March 13, 2024).

⁷³ U.S. Congressional Budget Office, “Noncyclical Rate of Unemployment [NROU],” February 8, 2024, retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/NROU> (accessed March 12, 2024).

Figure 2

States with Work Requirement Waivers for SNAP Benefits



Source: U.S. Department of Agriculture

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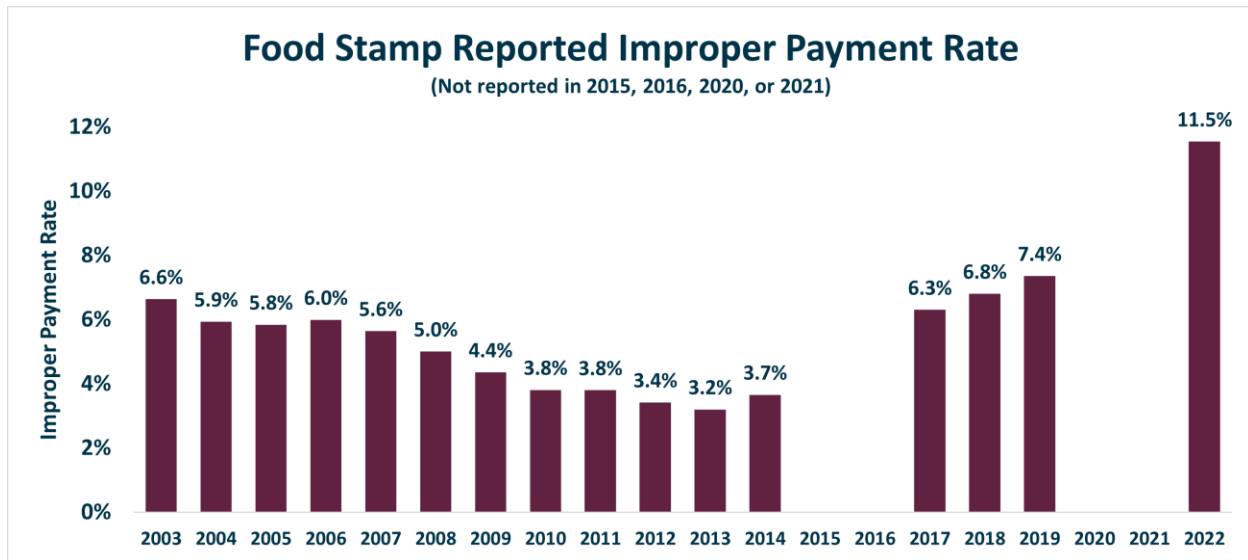
Improper Payments

The food stamp program makes billions in improper payments each year. Improper payments are government outlays that should not have been made or were made in the wrong amount. These improper payments often include fraud, abuse, and waste, but are not always indicative of illegal activity.

The USDA has reported more than \$45.75 billion of improper payments between FY 2003 and FY 2022. The reported improper payment rate was 11.5 percent in 2022.⁷⁴

⁷⁴ Data on improper payments from PaymentAccuracy.gov, “Annual Improper Payments Datasets,” 2023 Dataset, November 2023, <https://www.paymentaccuracy.gov/payment-accuracy-the-numbers/> (accessed February 2, 2024); and U.S. Department of Agriculture, “SNAP Payment Error Rates,” November 8, 2023, <https://www.fns.usda.gov/snap/qc/per> (accessed February 2, 2024). The USDA did not report improper payment rate data for FY 2015, 2016, 2020, or 2021.

Chart 21



Sources: U.S. Department of Agriculture and PaymentAccuracy.gov.

USDA reported data quality issues in FY 2015 and 2016 that prevented it from providing improper payment rates. In FY 2020 and 2021, USDA suspended state error data reporting requirements during the COVID-19 pandemic.

Improper payments are likely significantly higher than the reported amounts. In fact, the 2014 Farm Bill instructs USDA to ignore improper payments up to a “quality control tolerance threshold.”⁷⁵ This threshold was set at \$37 in 2014 and increases with inflation each year. In 2022, the “tolerance threshold” was \$48. Thus, any improper payment up to \$48 in 2022 was not reported. The tolerance threshold increases to \$56 for FY 2024.⁷⁶ The Snap Back Inaccurate SNAP Payments Act, introduced by Rep. Randy Feenstra (R-IA) and Sen. Joni Ernst (R-IA) would clarify that all improper payments must be counted as errors.⁷⁷

The reported improper payment rates for the food stamp program vary alarmingly across states, indicating stark disparities in program administration. In FY 2022, an astonishing 57 percent of food stamp payments in Alaska were reported as improper, along with 35.6 percent in Maryland, 23 percent in Oregon, 21.8 percent in Hawaii, and 19.8 percent in Tennessee. Meanwhile, the reported improper payment rate in South Dakota was 3.1 percent, 4.3 percent in Wyoming, and 4.4 percent in Wisconsin.⁷⁸

⁷⁵ 7 USC 2025(c)(1)(A)(ii).

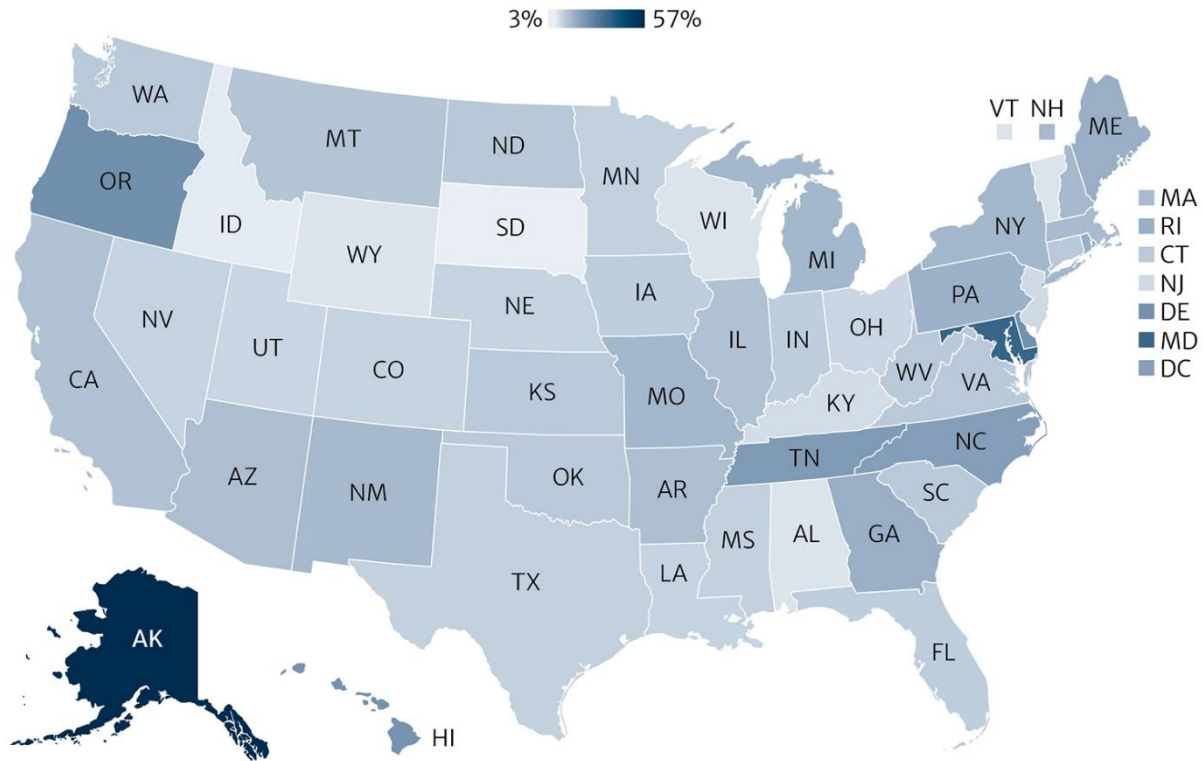
⁷⁶ U.S. Department of Agriculture, “SNAP Quality Control (QC) Error Tolerance Threshold for FY 2024,” September 8, 2024, <https://www.fns.usda.gov/snap/qc/pm-23-04> (accessed May 6, 2024).

⁷⁷ Snap Back Inaccurate SNAP Payments Act, H.R. 6501 and S. 2923, 118th Congress, 1st Session.

⁷⁸ U.S. Department of Agriculture, “Supplemental Nutrition Assistance Program: Payment Error Rates Fiscal Year 2022,” June 30, 2023, <https://fns-prod.azureedge.us/sites/default/files/resource-files/snap-fy22-qc-payment-error-rate.pdf> (accessed February 2, 2024).

Figure 3

SNAP Payment Error Rates



State	Rate (%)	State	Rate (%)	State	Rate (%)
Alaska	56.97	Massachusetts	11.77	Minnesota	8.24
Maryland	35.56	Arizona	11.39	Texas	7.86
Oregon	22.99	Arkansas	11.31	Mississippi	7.79
Delaware	22.43	California	11.10	Nebraska	7.34
Hawaii	21.78	Illinois	10.91	Colorado	7.31
Tennessee	19.79	Montana	9.97	Nevada	7.22
North Carolina	19.07	North Dakota	9.51	Louisiana	7.19
District of Columbia	18.95	West Virginia	9.35	Ohio	7.10
Georgia	14.98	Virginia	9.34	Utah	6.61
Maine	14.86	Washington	9.33	New Jersey	6.24
Rhode Island	14.59	South Carolina	9.19	Kentucky	5.83
Pennsylvania	14.44	Kansas	9.07	Alabama	4.68
Missouri	13.03	Connecticut	8.93	Vermont	4.57
Michigan	13.00	Oklahoma	8.89	Wisconsin	4.39
New York	12.89	Indiana	8.69	Wyoming	4.30
New Mexico	12.43	Iowa	8.60	Idaho	3.44
New Hampshire	12.34	Florida	8.59	South Dakota	3.07

Source: U.S. Department of Agriculture

ECONOMIC POLICY INNOVATION CENTER

Food Stamp Reform is Needed

The food stamp program has promoted a culture of dependency. In recent decades, enrollment has expanded significantly, benefit levels have grown faster than inflation, and taxpayer spending has surged. The program's work requirements are weak, limited, and often waived. Some enrollees do not even meet the statutory eligibility requirements. As a result, few of the millions of work-capable adults on the food stamp rolls work at all. Billions of taxpayer-provided benefits are wasted on improper overpayments each year.

Congress should continue the important work of welfare reform to promote opportunity rather than dependency.

A reform agenda should include policies that would:

Strengthen Work Requirements.

Congress should strengthen food stamp work requirements for able-bodied adults by eliminating geographic waivers, including all work capable adults, expanding the age applicability, and phasing up the hours of expected effort.⁷⁹

Roll Back the New Exceptions Created in the Fiscal Responsibility Act.

The Fiscal Responsibility Act of 2023 created new exceptions from work requirements for able-bodied adults who are experiencing homelessness, are veterans, or were formerly in foster care. These exceptions send the wrong message that these work capable individuals are unable to contribute and could trap thousands in dependency rather than promote opportunity.⁸⁰

Eliminate Broad Based Categorical Eligibility (BBCE).

BBCE allows states to ignore the food stamp program's own eligibility guidelines. Ending BBCE would reserve food stamps for the truly vulnerable – the population the program is intended to serve.

Prevent Permanent Dependency for Work-Capable Adult.

A reasonable lifetime limit on the time that able-bodied adults can remain on food stamps should be implemented, similar to the cap under Temporary Assistance for Needy Families (TANF). Congress should also require USDA to track and report data on durations of benefit receipt for different populations.

⁷⁹ For more details, see Matthew Dickerson, "Strengthen Food Stamp Work Requirements to Promote Opportunity," Economic Policy Innovation Center, May 1, 2024, <https://epicforamerica.org/publications/strengthen-food-stamp-work-requirements-to-promote-opportunity/>.

⁸⁰ For more details, see Matthew Dickerson, "The Fiscal Responsibility Act Changes to Food Stamps," Economic Policy Innovation Center, May 2, 2024, <https://epicforamerica.org/publications/the-fiscal-responsibility-act-changes-to-food-stamps/>.

Rescind Biden’s Unilateral Benefit Increase and Adjust Benefits With Inflation.

The 2021 reevaluation of the Thrifty Food Plan unilaterally increased food stamp allotments by 21 percent above inflation. The TFP reevaluation should be rescinded, and benefits should instead grow with inflation each year.⁸¹

Phase in State Responsibility.

The food stamp program is funded by the federal government but is administered by the states. To promote federalism and require states to have skin in the game, a state funding responsibility requirement should be phased in to align the food stamp program with other welfare programs.

Provide Accountability and Transparency for Improper Payments and Fraud.

State administrators should be held accountable for high levels of improper payments and fraud that occurs on their watch. The provision that requires USDA to tolerate and disregard improper payments of \$56 should be repealed.

These policies will increase human flourishing and help our fellow Americans. Congress should use every opportunity to advance reforms to bolster success and reject dependence, including the farm bill, agriculture appropriations bills, and upcoming reconciliation legislation.

⁸¹ For more details, see Matthew Dickerson, “Biden’s Unilateral Food Stamp Benefit Increase,” Economic Policy Innovation Center, April 22, 2024, <https://epicforamerica.org/publications/bidens-unilateral-food-stamp-increase/>.