



## **Testimony to the U.S. House Agriculture Subcommittee on Nutrition Hearing on the Future of the Supplemental Nutrition Assistance Program**

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Mr. Chairman, Ranking Member McGovern, and distinguished members of the House Agriculture Subcommittee on Nutrition, thank you for inviting me to testify on the importance of the Supplemental Nutrition Assistance Program and the program's direction in the next Farm Bill.

I am the Executive Director of the Central Pennsylvania Food Bank, the largest non-profit food distribution organization in Pennsylvania. We are a member of Feeding America's food bank network that covers every county in the United States. We live our mission of *fighting hunger, improving lives, and strengthening communities* every day. We truly believe no one should be hungry and are committed to working hard every day to make that belief a reality. We are also a fine example of public/private partnerships to benefit society, with generally 80 percent of our food and financial resources sourced through private donations.

### *Hunger in Pennsylvania and the United States*

The Central Pennsylvania Food Bank distributes more than 48 million pounds of food and grocery products, equivalent to more than 40 million meals, every year to more than 900 soup kitchens, shelters, and food pantries in 27 central Pennsylvania counties. These agencies directly feed thousands of hungry families throughout central Pennsylvania. We could not do this without the generosity of food donors and financial supporters from all sectors, including food companies, retailers, farmers, corporate funders and individuals.

The 27 counties within our service territory represent the most rural of the commonwealth. While we have more than 1.8 million people in our state who struggle with hunger, we are blessed with more than 57,000 family farms – 30,000 of which are in our service territory. In a region as agriculturally rich as central Pennsylvania, there is no reason that anyone should go to bed hungry. Farmers in our state and across the country produce the safest, most affordable, most abundant supply of food in the world. And we do our part every day at the Central Pennsylvania Food Bank to ensure that we are

sourcing and distributing nutritious fruits and vegetables, protein and calcium that are essential to food insecure individuals. In doing so, we're not only working to meet the supplemental nutrition needs of low-income people, we are supporting Pennsylvania agriculture and food businesses across the economic spectrum, and their employees.

The need is real, and the need is significant across the country. According to research conducted by Feeding America, there is a significant meal gap, or difference between the food low-income people need and the resources they have to buy that food. Map the Meal Gap 2016<sup>1</sup> shows that there are over 8 billion meals missing from the tables of low-income Americans per year. Thousands of Pennsylvanians continue to struggle to get back on their feet and for many, work does not provide protection from poverty and food insecurity. While many people think that poverty impacts only a small number of people who remain impoverished for many years, the reality is something different... a majority of Americans experience food insecurity over the course of their working lives, often due to unforeseen circumstances such as job loss, inadequate hours, divorce or health issues<sup>2</sup>.

Feeding America's quadrennial study of the people utilizing charitable food assistance, Hunger in America 2014, reveals that about two-thirds of the people our food banks and their local agencies serve are making impossible trade-offs between paying for food and other necessities like rent, transportation, health care and utilities.

One example of this is Jonah, who recently called into our food bank's Food Stamp Helpline. Jonah is a 40-year-old, veteran, husband and father of two teenage children who was always able to provide shelter, food and other essential needs for his family. After being honorably discharged from the military, Jonah started working full-time for an Army Depot. Between his paycheck and veteran benefits, Jonah made ends meet without assistance. Unfortunately, last year Jonah was in an auto accident and had a brain injury which caused memory loss and balance issues, led to an emergency spinal cord surgery, and affected his ability to work. His last paycheck was in December and ever since, his savings and checking accounts have been depleted. Although he still receives his veteran benefit, this is not enough to cover his mortgage let alone buy groceries. In February, Jonah and his family were approved for nearly \$400 a month in SNAP benefits. Not only has SNAP provided Jonah's family the ability to purchase healthy nutritious foods, but it supplements the limited food that he receives from his local food pantry. In addition, because his family is eligible for SNAP benefits his two children are eligible to receive free school meals, lessening the family's grocery bill. Without the SNAP benefits, Jonah and his family would have to make the choice of paying his mortgage or paying for groceries. Fortunately, he is now able to provide a warm and loving home as well as a healthy nutritious diet for his family because of the SNAP program.

## *Our Nation's Nutrition Assistance Safety Net*

While the Central Pennsylvania Food Bank works tirelessly to provide emergency food assistance to families at risk of hunger, the problem is too big to fix without our taxpayer-funded safety net programs such as SNAP. While we do make a difference for people in our community, national programs reach far more people – and we simply could not backfill the increased demand on the charitable food system that would result if any of these safety net programs were eliminated or cut. We are already stretched to meet sustained high need. As stated as a finding in the House Agriculture Committee's comprehensive review of the SNAP program, the need for nutrition assistance cannot be addressed by just one program or group – it requires collaboration between governments, non-profits, communities and individuals.

The people that we serve rely on these federal programs to help meet their families' needs, and these programs are an integral piece of the safety net – working together and complementing one another. SNAP is the backbone of the national nutrition safety net, the first line of defense against hunger. SNAP helps nearly 1.8 million people (14.2 percent of Pennsylvanians) buy groceries every month and lifts 13.1 percent of those households out of poverty.

The Central Pennsylvania Food Bank operates a Food Stamps Helpline that helps individuals find out if they qualify to receive additional food assistance. Within our service territory, only 55 percent of those individuals that are income eligible for the program are receiving benefits, meaning over 200,000 potential SNAP-eligible central Pennsylvanians are not in the program. Our goal is to inform the public about this federal nutrition program and to provide screening and enrollment assistance to those who may need and are eligible to receive benefits. As an example of our innovative efforts in central Pennsylvania to appeal to more Snap-eligible people, we have presented in Appendix A, a graphical image for a SNAP outreach campaign using the theme "Feed the Body, Fuel the Soul, Free the Mind". I am proud to share with you that this extraordinary campaign theme and related graphics were developed, free of charge, by several students of the Pennsylvania College of Arts and Design in Lancaster, Pennsylvania, in a recent project for Hunger Free Lancaster County. All activities for this campaign will be funded entirely by private donations.

One woman that our food bank educated, screened and helped to enroll in SNAP, is a familiar story to more and more senior citizens who are grandparents. Helen was retired and living on a fixed income in low cost senior housing, able to pay for her own groceries, utilities, and healthcare. In the spring of 2015, like many grandparents of late, Helen found herself raising three young children due to their father being involved with drugs and a mother who is in prison. Because Helen lived in senior-specific housing, she was asked to leave when she started to care for the children. So, she took her savings and bought a house, which has increased her cost of living. When school let out for the

summer Helen started seeing her Social Security check dwindle down faster and began dipping into her savings to purchase more groceries to take place of the meals the children were receiving during the school year. Although she was receiving food from a food pantry it still wasn't enough to last until her next visit. In August, Helen didn't know where else to turn and finally decided to apply for SNAP and was eligible for more than \$400 a month. Now that she can provide enough food through her SNAP benefits, Helen can provide other necessities to these children, such as clothing and shoes.

The impact of SNAP is vast. SNAP serves some of the most vulnerable people in our country and directly supports farmers, the local economy, retailers, processors, and many others. Without SNAP, many people would maintain higher levels of food insecurity and farmers would have fewer outlets for their products.

While we are here today to speak about SNAP in the context of the farm bill, I think it is worth mentioning the looming appropriations process that will be underway soon.

#### *Appropriations Process and the Farm Bill*

I commend Chairman Conaway and Ranking Member Peterson in their recent communication to the House Budget Committee, requesting that the committee consider the current economic conditions within rural communities and the significant contributions toward deficit reduction already made by the Agriculture Committee. We wholeheartedly agree that the fiscal year 2018 budget resolution must respect the cost savings<sup>3</sup> and commitments made under the 2014 Farm Bill, and that the budget process must provide flexibility necessary to develop solid agriculture and food policy in the new farm bill before the current law expires. Regarding the nutrition title of the farm bill, Chairman Conaway acknowledged that “CBO is projecting that the Nutrition Title is achieving savings relative to the previous farm bill and significantly more than anticipated during the last farm bill debate.”

I also thank the Chairman for conducting a top-to-bottom review of SNAP and publishing its findings last year. As stated in the Chairman's letter, “However widely the views of Members of the Committee vary on the subject of SNAP, we all share a common conviction in the dignity of every person and the importance of creating economic opportunity so each and every person is able to live the American dream. On this, we are all agreed.”

#### *SNAP Policy Considerations*

As the House Agriculture Committee works on a new farm bill, we urge you to consider five key points:

1. *SNAP supports agriculture, local economies, jobs, and retailers.*

*Agriculture:* Pennsylvania's leading economic enterprise, agriculture, benefits strongly from the SNAP program. For example, the largest farm commodity in Pennsylvania is dairy. About 9 percent of spending by SNAP households is on dairy, providing Pennsylvania farmers with an important source of revenue, and an important outlet for their milk. This becomes even more important given the current conditions within the dairy industry – that of tight margins, a milk surplus, low demand on the market, and disruption to foreign markets.

*Local economies:* Economic research estimates that every SNAP dollar redeemed expands the economy by roughly \$1.70<sup>4</sup>, leading to billions in local economic activity. In fact, roughly \$2.6 billion in SNAP dollars issued in Pennsylvania in Fiscal Year 2015 generated \$4.6 billion in economic activity.<sup>5</sup> The economic benefits spread throughout the entire food supply chain, benefiting grocers, retailers, manufacturers, producers and farmers, while supporting the millions of jobs they provide.

*Jobs:* A 2010 study by the USDA found that for every \$1 billion of added SNAP funding, between 8,900 and 17,000 jobs were created.<sup>6</sup> Per a study of SNAP's economic effects at the state level, in Pennsylvania a 10 percent cut in SNAP funds would result in the destruction of 3,611 jobs.<sup>7</sup>

*Retailers:* SNAP spending accounts for more than 10 percent of all spending on food purchased to be eaten at home.<sup>8</sup> The resources provided by SNAP are critical to beneficiaries, who spend them almost immediately – 97 percent of SNAP benefits are spent in the month they are issued.<sup>9</sup> In one month in 2016, SNAP funded around \$218 million of sales in Pennsylvania.<sup>10</sup>

2. *SNAP is timely and responds to changes in need.* One of the strongest features of SNAP is its ability to respond quickly to changes in need. This is the case both during natural and economic disasters. During the recent recession, SNAP participation grew alongside rising unemployment and is falling as the economy slowly recovers. CBO's January 2017 budget projections show SNAP savings of more than \$30 billion over the course of the farm bill compared to estimates from just one year ago and project SNAP contributing to more than \$90 billion in savings overall, which is far more than expected as the program contracts by design. Participation continues to decline and as of December 2016, the most recent data available, more than 4.8 million (or 10 percent) lower than at its post-recession peak in December 2012 and the lowest level since September 2010.
3. *SNAP is temporary and encourages work.* SNAP supports households as they get back on their feet, providing them with needed nutrition and encouraging work.

New participants spend an average of only 12 months on SNAP and most leave the program within two years. SNAP is structured to provide a strong work incentive and was designed to essentially *not* have a “benefit cliff.” In fact, for every additional dollar a SNAP participant earns, their benefits decline by about 30 cents, not a full dollar. So, participants have a strong incentive to find a job, work longer hours, or seek better-paying employment.

More than half of SNAP households with at least one working-age, non-disabled adult work while on SNAP; more than 80 percent work in the year before or after receiving SNAP. For many of these families, SNAP is an important support while they are between jobs and looking for work.

4. *SNAP provides states flexibility and federal accountability.* SNAP’s structure couples local decision-making with federal oversight to deliver a program that is both flexible for state administrators and accountable to the federal taxpayer. States have a robust framework of state options when administering SNAP, enabling them to adapt the program to best meet the needs of their state.

At the same time, federal oversight ensures that SNAP is accountable both to taxpayers and to participants. Consistent eligibility parameters and benefit levels across states ensure that eligible families are guaranteed food assistance when they fall on hard times, regardless of where they live.

5. *SNAP is efficient and accurate.* Nearly 93 percent of federal SNAP spending goes for benefits to purchase food. The remainder goes toward administrative costs including monitoring of retailers that accept SNAP and anti-fraud activities, and important services like employment and training that help participants improve their employability and move toward work or improve their prospects.


SNAP payments are accurate and the program has historically low error rates. SNAP has one of the most rigorous payment error measurement systems of any public benefit program. It also has one of the best records of accuracy in providing benefits only to eligible households. The most recently available data show that more than 99 percent of SNAP benefits are issued to eligible households.

As the subcommittee works on a new farm bill, we look forward to working with you to demonstrate how strong support for nutrition programs and agriculture programs can strengthen communities such as the one we serve in central Pennsylvania. These programs work well, but with any policy or program, can always be improved to ensure that more families and children have access to the nutrition they need.

Working together, we believe that we can achieve a farm bill that helps strengthen our agriculture economy, provides support to rural communities, and reduces hunger through


partnership and collaboration.

On behalf of the Central Pennsylvania Food Bank, thank you for this opportunity to present testimony.



**Hunger-Free**  
LANCASTER COUNTY

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**Hunger affects people from all walks of life.**

The Supplemental Nutrition Assistance Program or "SNAP" (formerly called Food Stamps), is a federally-funded program that helps millions of eligible households and individuals purchase nutritious and healthy food.



### FEED YOUR BODY

Gain access to healthy food options through local markets and grocery stores.



### FUEL YOUR SOUL

Try new foods, experiment with different recipes and spend quality time with family by eating meals together.



### FREE YOUR MIND

Provide healthy food options for you and your family without worrying about breaking the budget.



## Am I eligible for benefits?

If your monthly income is less than or equal to the figures below, you are eligible for SNAP benefits.

Household Size	*Monthly Income
1	\$1,584
2	\$2,136
3	\$2,688
4	\$3,240
Each additional	+\$555

### Are you 60 or older?

1	\$1,980
2	\$2,670

\*Before taxes

**Apply for SNAP**  
by calling our toll-free helpline:

**877-999-5964**

(Se habla español)

\*This organization is an equal opportunity provider.

**CENTRALPAFOODBANK.ORG**

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<sup>1</sup> Map the Meal Gap looks at food insecurity by county across America and the amount of meals missing from food insecure American households.

<sup>2</sup> Rank, Mark Robert, Hirschl, Thomas A. and Foster, Kirk A. Chasing the American Dream: Understanding What Shapes our Fortunes. Oxford University Press, 2016.

<sup>3</sup> The Agriculture Committee saved \$23 billion over ten years in the context of the 2014 Farm Bill; however, CBO's January 2017 baseline estimates show that the current farm bill will save \$104 billion, more than four times what had previously been pledged.

<sup>4</sup> Zandi, Mark M, Assessing the Macro Economic Impact of Fiscal Stimulus 2008, pp 3-4, Moody's, Jan 2008, <https://www.economy.com/mark-zandi/documents/Stimulus-Impact-2008.pdf>

<sup>5</sup> USDA, Supplemental Nutrition Assistance Program State Activity Report Fiscal Year 2015, pp 5, published October 2016, <https://www.fns.usda.gov/sites/default/files/snap/2015-State-Activity-Report.pdf>

<sup>6</sup> Hanson, Kenneth, The Food Assistance National Input-Output Multiplier (FANIOM) Model and the Stimulus Effects of SNAP, USDA, Economic Research Service, October 2010, [https://www.ers.usda.gov/webdocs/publications/err103/8003\\_err103\\_reportsummary\\_1\\_.pdf](https://www.ers.usda.gov/webdocs/publications/err103/8003_err103_reportsummary_1_.pdf)

<sup>7</sup> Thompson, Jeffrey and Garrett-Peltier, Heidi, The Economic Consequences of Cutting the Supplemental Nutrition Assistance Program, Published March 2012, The Center for American Progress, <https://www.americanprogress.org/issues/poverty/reports/2012/03/19/11314/the-economic-consequences-of-cutting-the-supplemental-nutrition-assistance-program/>

<sup>8</sup> Wilde, Park E., THE NEW NORMAL: THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP), May 2012, *mer. J. Agr. Econ.* 95(2): 325–331

<sup>9</sup> Center on Budget and Policy Priorities, Policy Basics: Introduction to the Supplemental Nutrition Assistance Program (SNAP), March 2016, <http://www.cbpp.org/research/policy-basics-introduction-to-the-supplementalnutrition-assistance-program-snap>

<sup>10</sup> USDA, Data from SNAP Nutrition Tables: October 2016, last accessed December 2016, <https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap>