

SNAP IS UNIQUE IN SERVING AS A NEAR-UNIVERSAL ENTITLEMENT: While there are needs-based eligibility criteria, there are few other restrictions across age, family structure, disability, or employment status and all qualified applicants are guaranteed a benefit. At the same time, the Supplemental Nutrition Assistance Program (SNAP, formerly called the Food Stamp Program) operates in tandem with the broader safety net, which also includes cash and in-kind benefits that target specific segments of the population, such as children, workers, and people with disabilities. This brief explores how SNAP operates in conjunction with other, more targeted safety net programs. It focuses on school meal programs to examine the food safety net for school-age children; and subsequently considers how SNAP interacts with the broader tax and transfer safety net. This is the last in a four-part series drawing from a comprehensive new book, *SNAP Matters: How Food Stamps Affect Health and Well-Being**, edited by the authors of this brief.

The Food Safety Net for School-Age Children

The primary components of the federally funded food safety net for school-age children include SNAP, the National School Lunch Program (NSLP), and the School Breakfast Program (SBP). Collectively, these programs play a large and growing role in helping children meet their food needs. In a typical month in 2011:

- over 13 million school-age children—over 24% of all children between the ages of 5 and 17—participated in SNAP;
- likewise, the USDA estimates that over 21 million children received a free or reduced-price lunch from the NSLP in a given month; and
- over 10 million children received a free or reduced-price breakfast from the SBP.

Students qualify for free meals by having gross household income below 130% of the federal poverty line (FPL), and for reduced-price meals with incomes from 131% to 185% of the FPL. The free-meal threshold therefore coincides with the federal SNAP limit, whereas the reduced-price threshold is near the high end of the broad-based categorical eligibility limit used for SNAP in many states. Students can also be deemed categorically eligible for free meals by virtue of participation in SNAP or selected other assistance programs.

School districts are required to have automatic administrative data-matching procedures to identify children who qualify for free meals via categorical eligibility. Thus, state and federal decisions that affect SNAP eligibility or participation for children may have spillover effects via children gaining simplified access to school meal programs, providing de facto linkages between the two programs. To strengthen these linkages, high-poverty schools or districts as of 2014–2015 are able to offer universal free meals if they have a sufficient share of children directly certified via administrative data matching (the new “Community Eligibility Provision”)—meaning that SNAP participation rates directly affect school-level meal provision options.

*Chapter 7 by Judith Bartfeld and Chapter 8 by Robert A. Moffitt.

Growth in Childhood Food Assistance

Between 2000 and 2011, the share of children receiving a free or reduced-price lunch increased by 35%, roughly tracking the growth in the child poverty rate over the same period.

The share of children eating a free or reduced-price breakfast increased by 69% from 2000 to 2011, reflecting growth in its availability, increasing child poverty, and higher participation among those eligible.

The share of children participating in SNAP more than doubled in the first decade of the 2000s, consistent with both economic and policy changes over the period.

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What Is the Role of Food Assistance Programs Among Low-Income Households with School-Age Children?

For low-income households (defined here as having at least a month below 185% of the FPL in a given 4-month period) with school-age children, food assistance programs were a mainstay of household resources during the 2008–2011 period.

- During a typical 4-month period, 76% of these households participated in at least one of the three programs (SNAP, NSLP, SBP), and one-third participated in all three programs.
- When the value of food assistance is added to cash income, food assistance programs constituted an average of 19.3% of household resources for these families, including 10.4% from SNAP and 8.5% from school meal programs (and a small amount from WIC). For those in deep poverty (below 50% of the FPL), food assistance accounted for 55.9% of resources.

Low-income households access food assistance programs in ways suggesting a managed process of meeting needs.

- School lunch is typically begun at the start of a food assistance spell (73% of NSLP participants), although in a minority of cases participation follows a period of SNAP receipt, a pattern consistent with direct certification processes.
- School breakfast is typically added after already participating in school lunch and/or SNAP (57% of SBP participants).
- SNAP is most commonly added after already participating in both of the school meal programs (56% of SNAP participants); conversely, SNAP is used relatively infrequently at the start of a food assistance spell (23%).
- Among low-income households not participating in a given program, those that were food insecure were 60% to 100% more likely to start participating during the following 4-month period than were their counterparts in food-secure households.

SNAP and Cash Assistance

SNAP recipients include many groups—including children, working households, the elderly, and disabled persons—who may also qualify for assistance from more narrowly targeted programs. Indeed, SNAP is intended as supplemental assistance that focuses specifically on residual food needs, as distinct from broader needs. Here we discuss the extent to which SNAP recipients participate in other tax and transfer programs, and consider some of the implications of multiple-program participation.

How Do Cash Assistance Programs Affect SNAP Eligibility and Benefits?

SNAP is intended to supplement other private and public income by providing sufficient additional resources to meet basic food needs. It is relevant, then, to consider how other forms of public support affect SNAP eligibility and benefits.

Cash Assistance and SNAP Eligibility

Participation in a range of cash assistance programs confers automatic categorical eligibility for SNAP, with no additional gross income or asset test. This applies to participation in Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), Social Security Disability Income (SSDI), or any of several smaller state cash assistance programs. States also have the option to implement “broad-based categorical eligibility” (BBCE), whereby SNAP eligibility is granted to recipients of TANF-funded noncash benefits and services, thus potentially conferring categorical eligibility to households with gross incomes up to twice the FPL (varying by state) and more liberal resource limits than would otherwise be applied.

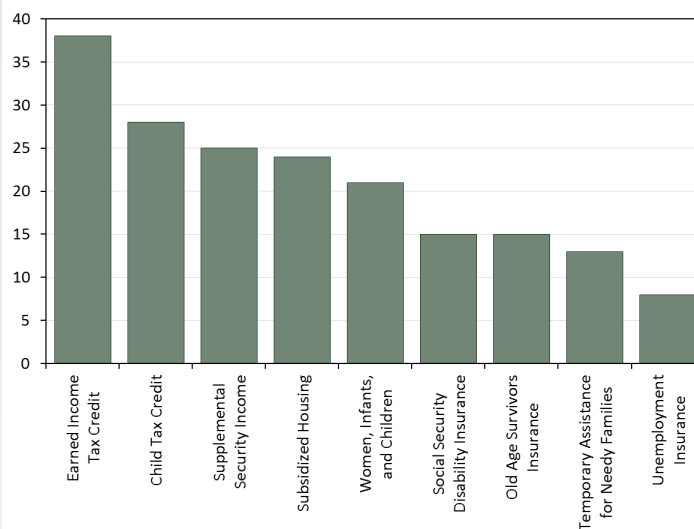
Even with categorical eligibility, however, households qualify for a benefit only if their net income is below the FPL—the same as is true for all SNAP recipients. As a result, it does not appear that categorical eligibility (as an alternative to income eligibility) substantially changes the income level of the SNAP caseload. Data from 2008–2009 show that SNAP recipients who receive cash assistance from TANF, SSI, or SSDI (and are thus categorically eligible) are more likely to have private incomes below the FPL, particularly below 50% of the FPL, compared to other SNAP recipients. Furthermore, the U.S. Congressional Budget Office estimates that while roughly half of SNAP recipients were categorically eligible via BBCE in fiscal year 2010, only 4% of the SNAP caseload would have failed to qualify in the absence of BBCE, because most of those households also met standard income and resource tests.

Cash Assistance and SNAP Benefits

While participation in cash assistance confers categorical eligibility for SNAP, the income from those programs reduces benefits by 30 cents per dollar—the share of cash benefits that is presumed to be available for food. Thus, the SNAP formula ensures that SNAP supplements other assistance only to the extent that there is estimated to be too little existing income in a household to meet food needs.

On the other hand, income from the Earned Income Tax Credit (EITC) does not reduce SNAP benefits. The EITC is received as a single lump sum amount, and research shows it is used for such expenses as debt reduction, asset-related expenses such as down payments, and short-term emergency uses, rather than for food.

More than 90% of SNAP families received other benefits in 2008–2009.



Source: Author's calculations using data from the Survey of Income and Program Participation (SIPP).

How Does Multiple-Program Participation Affect Work Incentives?

Benefits in any means-tested program must eventually be phased out as income increases. This often leads to concerns about work disincentives, because the benefit reduction results in an implicit tax on earnings. In the case of SNAP, the benefit formula—which includes a 30% benefit reduction as income increases, though with an offset to account for work-related and other expenses—implies a marginal tax rate (MTR) on income that is 24% or lower, with no benefit reduction for very limited earnings. Receipt of other means-tested assistance in combination with SNAP could potentially lead to large work disincentives for at least some beneficiaries, as MTRs are higher when multiple benefits are phasing out simultaneously.

In practice, the implications of receiving other means-tested assistance together with SNAP depend substantially on the kind of cash assistance and the income range of the household. For example, the EITC, unlike traditional transfer programs, subsidizes earnings at the lowest income levels and only phases out at somewhat higher ranges. Thus, the availability of the EITC more than counteracts the benefit reduction in SNAP at the lowest income levels, whereas this is not the case for other programs.

For nondisabled, non-elderly SNAP households—the ones for whom there is typically concern about potential work disincentives—it is much more common, in practice, to face net subsidies for increasing work due to the potential availability of the EITC than to face high cumulative MTRs from phasing out multiple programs. While there are clearly income ranges and program combinations in which cumulative MTRs are problematic, in practice this is a relatively minor issue because only a small share of non-elderly, non-disabled SNAP recipients are in those income ranges.

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