



Oh, SNAP: Congress hasn't gone far enough to cut food stamps

By Michael Tanner

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Reports from Congress indicate that a conference committee has agreed to roughly \$10 billion in cuts over the next 10 years to the Supplemental Nutrition Assistance Program, or SNAP, better known as food stamps. That is far less than the \$39 billion in cuts sought by House Republicans but still large enough to stir up opposition on Capitol Hill.

Before listening to the coming outcry that will claim the proposed cuts will lead to mass starvation and other calamities, recall that as recently as 2000, this program cost just \$18 billion annually and covered just 17 million Americans. Today, roughly 48 million Americans receive food stamps at a cost of almost \$83 billion per year.

That amount already is scheduled to decline to roughly \$73 billion by 2023, in part because increases included in the 2009 stimulus bill expired last month. The reported compromise would reduce this spending by an additional 1.3 percent, which still would leave total food-stamp spending at \$72 billion in 2023. That's roughly the same level as it was in 2011, not a year known as "the Great American Famine."

Moreover, the vast majority of the proposed cuts come from closing the so-called Low Income Home Energy Assistance Program, or LIHEAP, loophole, which allows states to increase benefits for individuals who also receive utilities assistance. Approximately 16 states have used this loophole to leverage nominal (as little as \$1) LIHEAP payments into an increase in a household's SNAP benefits. Reports indicate that the congressional compromise would require states to provide LIHEAP benefits of at least \$20 in order to qualify for the exemption, preventing them from manipulating the system to increase federal payments.

TOO MODEST

If anything, the compromise SNAP reductions are far too modest. Currently, 44 states have waivers that allow them to forgo the program's requirements that food-stamp participants work, or at least be actively looking for work. As a result, in 2011, the most recent year for which data is available, only 27.7 percent of nonelderly adult participants were employed, while another 28 percent reported that they were looking for work. This compromise does nothing to strengthen work requirements.

For all the hullabaloo surrounding food stamps, one might think they're a worthwhile investment. Unfortunately, no one is really sure about that. In fact, the Government Accountability Office found that “the literature is inconclusive regarding whether SNAP alleviates hunger and malnutrition for low-income households.” Similarly, a study for the U.S. Department of Agriculture found for nearly all vitamins, minerals and macronutrients assessed, the dietary intake among SNAP participants was comparable to that of nonparticipants.

While food stamps may do little to alleviate hunger, they do appear to increase government dependency. Nearly 56 percent of SNAP households are on the program for five years or longer, suggesting that the program is no longer a temporary safety net but increasingly is becoming a way of life.

The cuts included in this compromise are a very tiny step in the right direction. Given political realities, a difficult economy and the program's enduring bipartisan popularity, it is probably the best that could be achieved. But this should not be seen as an excuse to duck a real debate about the future and effectiveness of America's fastest-growing welfare program.