

Testimony of

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Joint Hearing on Bill 18-0182: the Food Stamp Expansion Act of 2009

**Committee on Human Services
Committee on Government Operations and the Environment**

Council of the District of Columbia

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**Council Chambers
John A. Wilson Building
1350 Pennsylvania Ave., NW, Room 120
Washington, DC 20004**

D.C. Hunger Solutions and the 80 District-based organizations and individual signatories (Attachment A – Sign-On Letter in Support of the Food Stamp Action Act) strongly support the passage of Bill 18-0182: the Food Stamp Expansion Act of 2009. Adoption of this Bill will provide immediate relief to the nearly one out of eight households in the District that struggles with hunger and draw in millions of dollars of federal funding to help vulnerable families purchase food.

Passage of this Bill is critical as thousands of low-income people in the District are seeing their already difficult circumstances worsen; and thousands of other moderate and middle-income people are losing jobs or hours of work and are falling into near-poverty or poverty or food insecurity. Unemployment has risen by 50 percent from 20,372 District residents to 30,757 in the last year, making it harder or impossible for increasing numbers of District families to pay for basic necessities such as food, rent, heat, child care, and health care. Since families must pay fixed costs such as rent (or face eviction) or child care (in order to work), many choose to cut food spending first – often at the expense of serious risk to family members’ nutritional well-being and health. The District must pull out all the stops to help residents obtain nutritious food.

Fortunately, the Food Stamp Program¹ provides a ready-made solution to fight the growing poverty and hunger in the recession. Every eligible family and child can participate. The Food Stamp Program is *not* subject to appropriations limits and is economically “counter-cyclical” – it can expand through federal entitlement funding to meet increasing need when the economy gets worse. And households on food stamps spend dollars at local businesses, thereby stimulating the local economy and generating jobs. In

¹ Pursuant to the 2008 Farm Bill, the Food Stamp Program was renamed the Supplemental Nutrition Assistance Program (SNAP) at the federal level. For the purposes of this testimony, we refer to the program as the Food Stamp Program, since the D.C. Department of Human Services still refers to the program as such.

fact, every dollar of food stamp benefits spent generates at least \$1.73 in community spending.²

The record-setting national growth in Food Stamp Programs means more than 32 million people are relying on the Food Stamp Program as their primary defense against hunger. Mirroring these national trends, participation in the District's Food Stamp Program increased from about 89,000 clients in January 2008 to more than 101,000 in January 2009, pumping about \$15 million additional federal dollars into the city in the past year alone.

Now more than ever is the time for the District to expand access to, increase benefit levels of, and draw in every available federal dollar for the Food Stamp Program. That is just what this Bill does by:

- Helping more families access the Food Stamp Program through “categorical eligibility”: Currently, 21 states have eliminated or increased their asset test and 15 states have increased their gross income tests to allow more low-income families to participate in the Food Stamp Program. (See Attachments B: State Option for Food Stamp Asset Test and C: Categorical Eligibility: Gross Income Limit -- prepared by the Center for Budget and Policy Priorities.) But, under current District Food Stamp policy, a household earning more than 130 percent of the Federal Poverty Level is not eligible for food stamps, even if allowable deductions from income (e.g. housing and child care costs) bring its net income way down. The new categorical eligibility policy will raise the gross income limit in the District to 200 percent of the Federal Poverty Level and abolish the asset cap, opening up participation to additional thousands of more low-income and recently unemployed households who will not have to spend down their modest savings to put food on their plates.
- Increasing benefit levels through ensuring that all eligible Food Stamp households receive the maximum standard utility allowance: By coordinating information between the District's energy assistance program and the food stamp agency, and providing a nominal energy subsidy to targeted low-income households, D.C. will trigger larger deductions for heating and cooling costs in food stamp benefit calculations, thereby raising the monthly benefits of many households. States that have adopted similar policies saw the monthly food stamp benefit for struggling families increase by an average of \$30 to \$60 per month.

² Mark Zandi from Moody's Economy.com, 2008.

- Streamlining the application process so that people can more readily apply for Food Stamps: Implementation of “categorical eligibility” and “Heat and Eat” will simplify the application process, making it easier on eligibility workers and applicants to qualify for Food Stamps.
- Helping more families benefit from the recent 13 6% increases in monthly Food Stamp benefits as a result of the American Recovery and Reinvestment Act (ARRA): If passed the Food Stamp Expansion Act will bring new families into the District’s Food Stamp Program. These new households also will benefit from the American Recovery and Reinvestment Act that as of April 2009 is increasing food stamp benefit levels and making the program even stronger. For instance, most four-person households will receive an \$80 increase in their monthly food stamp allotment to spend on groceries.

The Council, in particular Councilmembers Michael A. Brown, Tommy Wells, and Mary Cheh deserve the highest praise for spearheading the unanimous introduction of “The Food Stamp Expansion Act”. Passage of this Act will bring in millions of additional federal dollars into the city to feed hungry families and stimulate the local economy.

Respectfully submitted,

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