
Revised January 14, 2008

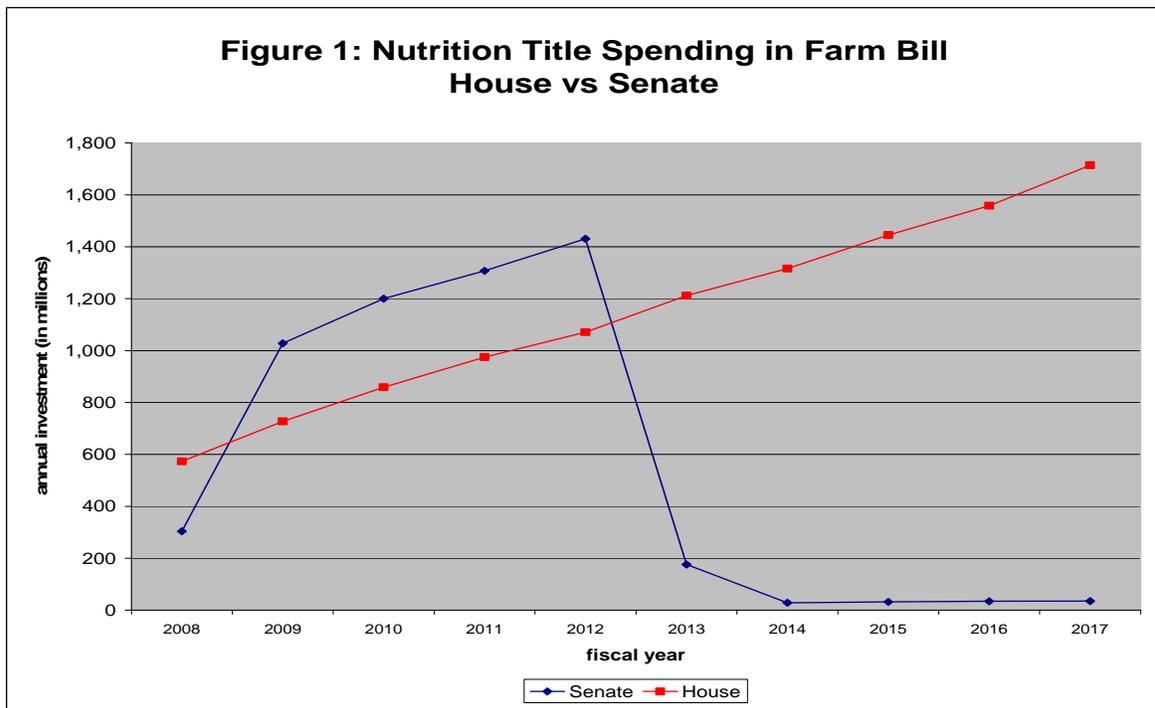
COMPARISON OF NUTRITION PROVISIONS IN HOUSE- AND SENATE-PASSED FARM BILLS

The House passed its farm bill (H.R. 2419, the “Farm, Nutrition, and Bioenergy Act of 2007”) in July 2007. The Senate farm bill passed on December 14 (H.R. 2419, the “Food and Energy Security Act of 2007”). The two chambers are expected to begin negotiations on a conference agreement early in 2008. The attached side-by-side compares the Nutrition provisions in title IV of each bill.

Both bills would make major, important investments in the nutrition area over the next five years in almost identical areas (\$4.2 billion in the House, \$5.3 billion in the Senate – see Table 1 below). Both bills would:

- **End years of erosion in the purchasing power of food stamps** by indexing for inflation (and making other improvements to) the program’s *standard deduction* and *minimum benefit*. These changes will help more than 10 million people, including families with children, seniors, and people with disabilities, afford an adequate diet.
- **Promote work and savings** by eliminating the cap on the *dependent care deduction*, improving the program’s resource limits, and no longer counting *tax-preferred retirement accounts and education accounts* toward the asset limit.
- **Increase support for emergency feeding organizations** by increasing annual funding for commodity purchases for **TEFAP** under the Food Stamp Program from \$140 million to \$250 million. (The House would index this amount for food inflation in later years.)
- **Include numerous provisions to enhance food stamp program operation, integrity, and oversight**, such as allowing states to accept food stamp applications over the telephone, phasing out food stamp coupons (in favor of EBT cards), and giving USDA more flexibility to set disqualification periods and fines for retailer violations.
- **Dramatically grow funding for fruits and vegetables in schools** by expanding the Fresh Fruit and Vegetable Program under the Richard B. Russell National School Lunch Act, which provides free fresh fruits and vegetables to children in schools.

There is, however, a critical difference between the House and Senate nutrition titles. The House bill would *make these provisions permanent law*. Under the Senate bill, all the



major benefit improvements would end after 2012, and policies would return to current law. (See Figure 1) Unless Congress later took action to extend the policies, under the Senate approach more than 10 million recipients would experience benefit cuts and over 300,000 low-income people would be cut off food stamps in 2013. The highest priority for conference is to make the benefit improvements permanent.

Other differences between the House and Senate nutrition titles include:

- The House bill would invest an additional half billion dollars over five years in improving food stamp benefit adequacy by raising the minimum standard deduction from \$134 to \$145 (rather than the Senate’s \$140), making up more of the lost ground in food stamp purchasing power since the freeze went into effect in 1996. (Both bills would index these amounts for inflation.)
- The Senate bill would raise the food stamp asset limit from \$2,000 to \$3,500 (and from \$3,000 to \$4,500 for households with elderly or disabled members) and then index those amounts for inflation in later years. The House’s provision indexes the current asset limits for inflation so they do not continue to lose value.
- The Senate bill includes several important food stamp simplifications for participants and states: reducing paperwork burdens by expanding simplified reporting and transitional food stamps, and simplifying the 3 month time limit on unemployed childless adults.
- The House bill would clarify the longstanding requirement that only employees who meet the merit systems personnel standards be able to take food stamp applications and make decisions about which households are and are not eligible.

- The Senate bill would increase mandatory funding for the Fresh Fruit and Vegetable Program in schools by 25 fold — from \$9 million a year to \$225 million a year, with inflation adjustments in later years. The House’s increase — to \$70 million a year — is also large, but more modest.

Table 1: Nutrition Investments in House and Senate Farm Bills (outlays in millions of dollars, based on CBO estimates)				
Program	House		Senate	
	5 year	10 year	5 year	10 year
Food Stamps	\$3,320	\$9,505	\$3,580	\$3,739
TEFAP	\$606	\$1,363	\$550	\$550
Fruit and Vegetable Program	\$279	\$584	\$991	\$1,133
Other Programs	\$0	\$0	\$150	\$155
Total Nutrition Title	\$4,205 million	\$11,452 million	\$5,271 million	\$5,577 million