

Introduction to SNAP

The Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp Program) is the nation's most important anti-hunger program. In a typical month in 2017, SNAP helps more than 40 million low-income Americans afford a nutritionally adequate diet.

What Is SNAP?

SNAP provides important nutritional support for low-wage working families, low-income seniors, and people with disabilities living on fixed incomes. Close to 70 percent of SNAP participants are in families with children; more than one-quarter are in households with seniors or people with disabilities. After unemployment insurance, it is the most responsive federal program providing additional assistance during economic downturns.

The federal government pays the full cost of SNAP benefits and splits the cost of administering the program with the states, which operate the program.

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Who Is Eligible for SNAP?

Unlike most means-tested benefit programs, which are restricted to particular categories of low-income individuals, SNAP is broadly available to almost all households with low incomes. SNAP eligibility rules and benefit levels are, for the most part, set at the federal level and uniform across the nation, though states have flexibility to tailor aspects of the program, such as the value of a vehicle a household may own and still qualify for benefits. Under federal rules, to qualify for SNAP benefits, a household must meet three criteria (although states have flexibility to adjust these limits):

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- Its gross monthly income generally must be at or below 130 percent of the poverty line, or \$2,213 (about \$26,600 a year) for a three-person family in fiscal year 2018. Households with an elderly or disabled member need not meet this limit.
- Its net monthly income, or income after deductions are applied for items such as high housing costs and child care, must be less than or equal to the poverty line (about \$20,400 a year or \$1,702 a month for a three-person family in fiscal year 2018).
- Its assets must fall below certain limits: in fiscal year 2018 the limits are \$2,250 for households without an elderly or disabled member and \$3,500 for those with an elderly or disabled member.

Some categories of people are not eligible for SNAP regardless of how small their income or assets may be, such as strikers, most college students, and certain legal immigrants. Undocumented immigrants also are ineligible for SNAP.

Most unemployed childless adults are limited to three months of benefits, unless they are working at least 20 hours per week or participating in a qualifying workfare or job training program. States may seek temporary waivers from this time limit for areas with high unemployment, where qualifying jobs are scarce. To receive a waiver, states must provide detailed Labor Department unemployment data for the state or areas within the state that demonstrate sustained levels of high unemployment.

During the recession and its aftermath, most states were covered by waivers from the time limit due to high unemployment. However, as unemployment rates fell, fewer areas across the country qualified for statewide waivers. In all but a few states, the time limit was in effect in some or all of the state by January 2016. CBPP estimates that at least 500,000 people lost benefits over the course of 2016 as the time limit returned in those states.

For more information, see [More than 500,000 Adults Will Lose SNAP Benefits in 2016 as Waivers Expire](#).

How Do People Apply for SNAP?

Each state designs its own SNAP application process, following federal guidelines. In most states, households apply in person at the welfare office, though they can also mail or fax their applications, and most states have online applications. Applicants must participate in an eligibility interview, which can often be on the phone. They must also document numerous aspects of their eligibility, including their identity, residency, immigration status, household composition, income and resources, and deductible expenses.

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Households found to be eligible receive an EBT (electronic benefit transfer) card, which is loaded with benefits once a month. Household members may use it to purchase food at one of the 260,000 retailers authorized to participate in the program. More than 80 percent of benefits are redeemed at supermarkets or superstores. SNAP cannot be used to purchase alcoholic beverages, cigarettes, vitamin supplements, non-food grocery items such as household supplies, or hot foods.

The SNAP benefit formula targets benefits according to need: very poor households receive larger benefits than households closer to the poverty line since they need more help affording an adequate diet.

Households must contact the welfare office to report if their income goes up dramatically. They also must reapply for SNAP periodically, typically every six to 12 months for most families and every 12 to 24 months for seniors and people with disabilities.

How Much Do Households Receive in Benefits?

The average SNAP recipient received about \$125 a month (or about \$4.16 a day, \$1.40 per meal) in fiscal year 2017.¹ The SNAP benefit formula targets benefits according to need: very poor households receive larger benefits than households closer to the poverty line since they need more help affording an adequate diet. The benefit formula assumes that families will spend 30 percent of their net income for food; SNAP makes up the difference between that 30 percent contribution and the cost of the Thrifty Food Plan (TFP), a low-cost but nutritionally adequate diet established by the U.S. Agriculture Department.

A family with no net income receives the maximum benefit amount, which equals the cost of the Thrifty Food Plan for a household of its size (see Table 1). For example, a family of three with \$600 in net monthly income receives the maximum benefit (\$504) minus 30 percent of its net income (30 percent of \$600 is \$180), or \$324.

TABLE 1

SNAP Benefits by Household Size

Household Size	Maximum Monthly Benefit, FY 2018	Estimated Average Monthly Benefit, FY 2017
1	\$192	\$142
2	\$352	\$253
3	\$504	\$379
4	\$640	\$465
5	\$760	\$556

Note: Estimated average benefits are based on FY 2015 SNAP Quality Control Household Characteristics data, the most recent data with this information. SNAP benefit levels are based on the cost of the Agriculture Department's Thrifty Food Plan (TFP), which reflects the minimal cost of a bare-bones, nutritionally adequate diet. Because of low food price inflation, SNAP maximum benefits are the same for fiscal years 2015 through 2017. As a result, average SNAP benefits in 2017 will be very close to 2015's levels. Due to declines in the TFP, SNAP's maximum benefit will fall in nearly every state in 2018, except for Hawaii, where the maximum benefit will go up.

Source: Department of Agriculture, SNAP FY 2018 cost of living adjustment information, FY 2015 household characteristics data, and cost of food plans.

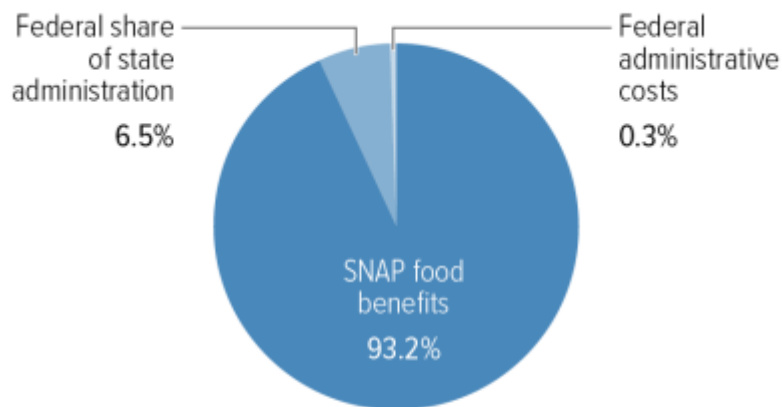
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The maximum benefit was higher from April 2009 through October 2013 due to a benefit increase in the 2009 Recovery Act. That boost ended in November 2013, resulting in a benefit cut for nearly every SNAP household. The maximum benefit is lower in 2018 (by about \$2 to \$3 per person per month), due to the effect of lower food prices on the TFP in recent years.ⁱⁱ Not all households receive the maximum benefit, and other parts of the benefit calculation (including deductions discussed below) will rise next year to reflect inflation in other parts of the economy, so not all SNAP households will experience the same benefit reduction. Close to three-quarters of households will see a modest reduction of about \$4 per month on average; the rest will have no change or a modest increase.

How Much Does SNAP Cost?

In fiscal year 2016, the federal government spent about \$73 billion on SNAP. Ninety-three percent went directly to benefits that households used to purchase food, and 6.5 percent went to state administrative costs, including eligibility determinations, employment and training and nutrition education for SNAP households, and anti-fraud activities.

93 Percent of Federal SNAP Spending Is for Food



Notes: Chart excludes spending on activities not directly related to SNAP but in the SNAP budget account, such as nutrition assistance in the U.S. territories, support for food banks, and the Food Distribution Program on Indian Reservations. The federal share of state administration includes state costs associated with SNAP operations – including eligibility determinations, benefit issuance, and quality control – as well as certain services for SNAP recipients such as employment and training and nutrition education. Federal administrative costs include the mandatory and discretionary federal costs of administering SNAP.

Source: Department of Agriculture, Fiscal Year 2016, obligations as reported in fiscal year 2018 “Explanatory Notes for Committee on Appropriations.”

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Less than 1 percent went to federal administrative costs. In addition to SNAP, the SNAP budget funds \$2.5 billion in other food assistance programs, including the block grant for food assistance in Puerto Rico and American Samoa, commodity purchases for the Emergency Food Assistance Program (which helps food pantries and soup kitchens across the country), and commodities for the Food Distribution Program on Indian Reservations.

SNAP spending as a share of GDP will return to 1995 levels by 2019. As currently structured, SNAP is not contributing to long-term budgetary pressures.

SNAP Caseloads and Costs are Falling

SNAP experienced large but temporary growth during and after the Great Recession. Caseloads expanded significantly between 2007 and 2011 as the recession and lagging economic recovery dramatically increased the number of low-income households who qualified and applied for help. In addition, SNAP delivered more than \$40 billion in economic stimulus through the Recovery Act benefit increases.

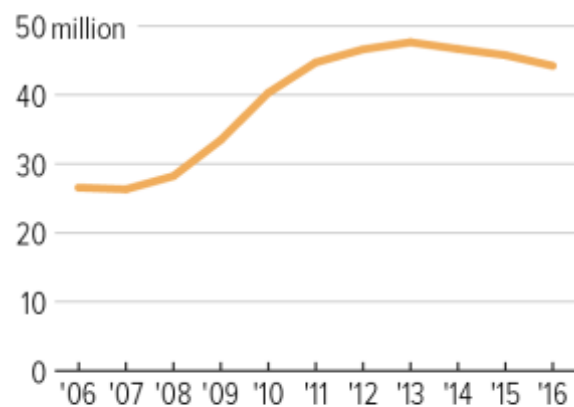
These changes were temporary, however. SNAP caseloads grew more slowly in 2012 and 2013 and fell by 2 percent in both 2014 and 2015. As the effects of the recession have been felt more broadly, SNAP participation is declining at a faster rate. The number of SNAP participants in an average month of 2016 was 3.4 percent lower than in 2015, and through the first half of 2017 the number is about 5 percent lower than the same period of 2016. SNAP caseloads fell by nearly 1 million people in both 2014 and 2015, but by 1.5 million people in 2016 and about 2 million so far in 2017.

SNAP spending has fallen as well, due to declining caseloads as well as a drop in average benefits. Average SNAP benefits fell by 7 percent in 2014 after the end of the Recovery Act benefit increase. SNAP

outlays are falling in 2017 for the fourth straight year – spending for the first 11 months in fiscal year 2017 (October 2016 through August 2017) was 4.2 percent lower than in the first 11 months of fiscal year 2016. SNAP spending as a share of the economy (gross domestic product or GDP) fell by 4 percent in 2015 and by 7 percent in 2016. The Congressional Budget Office (CBO) projects that SNAP spending as a share of GDP will return to 1995 levels by 2019. As currently structured, SNAP is not contributing to long-term budgetary pressures.

SNAP Participation Rose Due to Recession But Now Is Falling

Number of SNAP participants

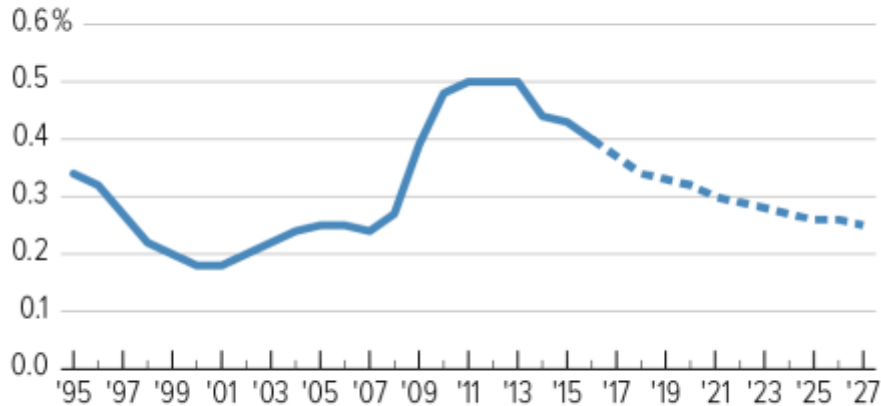


Source: Department of Agriculture

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SNAP Costs Falling, Projected to Fall Further

Spending as a share of gross domestic product



Note: Dotted line indicates CBO projection.

Sources: Department of Treasury, Office of Management and Budget, Bureau of Economic Analysis, and Congressional Budget Office June 2017 baseline

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For more information, see [SNAP Caseload and Spending Declines Accelerated in 2016](#).

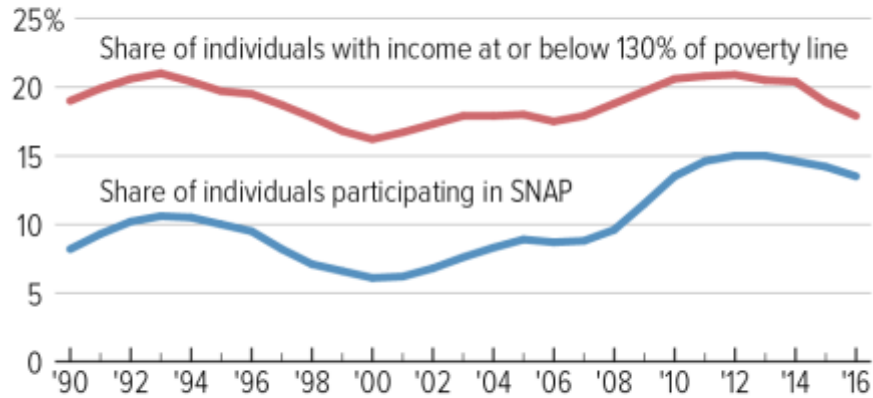
Special Features of SNAP

While SNAP's fundamental purpose is to help low-income families, the elderly, and people with disabilities afford an adequate diet, it promotes other goals as well:

Protecting families from hardship and hunger

SNAP benefits are an entitlement, which means that anyone who qualifies under program rules can receive benefits. As a result, SNAP responds quickly and effectively to support low-income families and communities during times of increased need. Enrollment expands when the economy weakens and contracts when the economy recovers and poverty declines. In this way, SNAP helps families to bridge temporary periods of unemployment or a family crisis. If a parent loses her job or has a job that pays low wages, SNAP can help her feed her children until she is able to improve her circumstances.

SNAP Tracks Changes in Share of Population That Is Poor or Near-Poor



Note: Poverty estimates are annual estimates and available through 2016. SNAP share of resident population are annual averages.

Sources: U.S. Census Bureau, U.S. Department of Agriculture

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SNAP helps households with limited resources to purchase adequate food. Some 15.6 million households, with 41.2 million people, were food insecure in 2016. Studies show that SNAP benefits have reduced food insecurity for those households.

Protecting the overall economy

SNAP benefits are one of the fastest, most effective forms of economic stimulus because they get money into the economy quickly. Low-income individuals generally spend all of their income meeting daily needs such as shelter, food, and transportation, so every dollar in SNAP that a low-income family receives enables the family to spend an additional dollar on food or other items. Some 80 percent of SNAP benefits are redeemed within two weeks of receipt and 97 percent are spent within a month.

Moody’s Analytics estimates that in a weak economy, every \$1 increase in SNAP benefits generates about \$1.70 in economic activity. Similarly, CBO has found that SNAP has one of the largest “bangs-for-the-buck” (i.e. increase in economic activity and employment per budgetary dollar spent) among a broad range of policies for stimulating economic growth and creating jobs in a weak economy.

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Lessening the extent and severity of poverty and hardship

SNAP is heavily focused on the poor. 92 percent of SNAP benefits go to households with incomes at or below the poverty line, and 57 percent go to households at or below *half* of the poverty line (about \$10,210 for a family of three in 2017). Families with the greatest need receive the largest benefits, as noted above.

These features make SNAP a powerful anti-poverty tool. A CBPP analysis using the government’s Supplemental Poverty Measure, which counts SNAP as income, and correcting for underreporting in government surveys, found that SNAP kept over 8 million people out of poverty in 2014, including 4 million children. SNAP lifted about 25 million others closer to the poverty line, and SNAP lifted 2 million children above half of the poverty line in 2014, according to this same analysis – more than any other program.

By helping families buy food and freeing up resources for other basic needs, SNAP helps reduce food insecurity and other hardships such as trouble paying bills or rent.

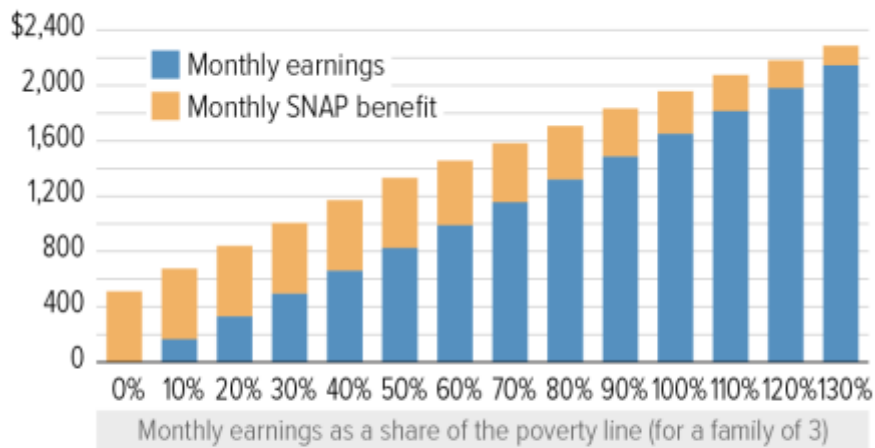
Supporting and encouraging work

In addition to acting as a safety net for people who are elderly, disabled, or temporarily unemployed, SNAP is designed to supplement the wages of low-income workers.

Millions of Americans work in jobs with low wages, unpredictable schedules, and no benefits such as paid sick leave – all of which contribute to high turnover and spells of unemployment. SNAP provides monthly benefits that help fill the gaps for workers with low and inconsistent pay, and can help workers weather periods without a job. Workers who participate in SNAP most commonly work in service occupations, such as cooks or home health aides, and sales occupations, such as cashiers, which are often jobs with features such as low pay and income volatility.

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SNAP Benefits Gradually Phase Out as Earnings Rise



Note: This chart shows the phase out for a family of three with earned income that claims the \$155 standard deduction and the 20 percent earned income deduction, and that has \$1,110 in monthly shelter costs (the median value for working households of three with children that have incomes at or above 125 percent of poverty based on the fiscal year 2015 SNAP Household Characteristics data.)
 Source: CBPP calculation based on Fiscal Year (FY) 2015 SNAP federal benefit parameters and FY 2015 SNAP household characteristics data.

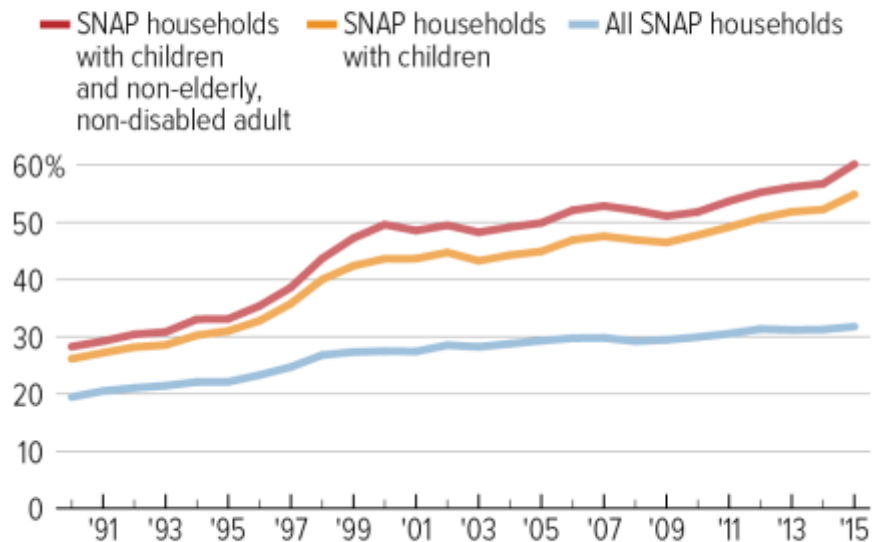
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Several features of SNAP make it an effective work support. The SNAP benefit formula contains an important work incentive. For every additional dollar a SNAP recipient earns, her benefits decline gradually, by only 24 to 36 cents. This means, for most SNAP households, the program continues to serve as an income support — making it easier for families to afford food — as they earn more and work toward financial stability and self-sufficiency. Because SNAP is an entitlement program and it serves all eligible people who apply, participants who lose jobs can apply for SNAP and receive it quickly, and workers who participate do not risk seeing their total income (earnings plus SNAP) fall if the promise of increased hours or a new, higher-paying job does not come through. States further support work through the SNAP Employment and Training program, which funds training and work activities for unemployed adults who receive SNAP.

The number of SNAP households that have earnings while participating in SNAP has more than tripled — from about 2 million in 2000 to 7.1 million in 2015. The *share* of all SNAP households that have earnings while participating in SNAP has also increased — from about 27 percent in 2000 to about 32 percent in 2015.

SNAP Work Rates Have Risen, Especially Among Households With Children and Adults Who Could Be Expected to Work

Share of households with earnings



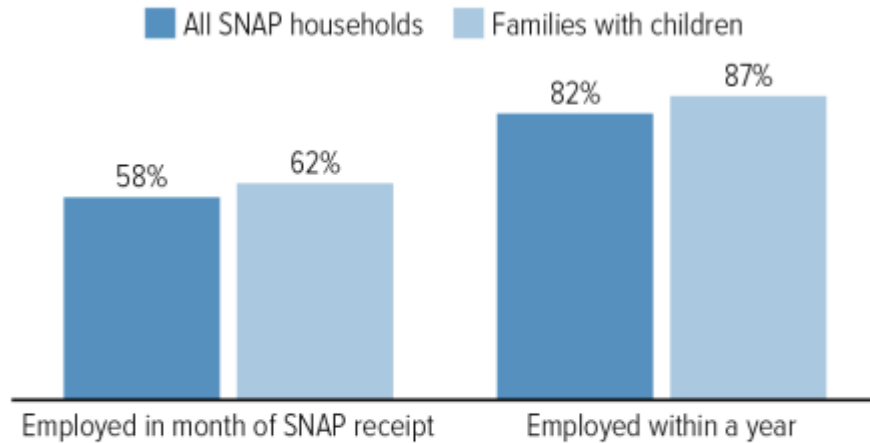
Source: CBPP tabulations of Agriculture Department household characteristics data

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Most SNAP recipients who can work do so. Among SNAP households with at least one working-age, non-disabled adult, more than half work while receiving SNAP — and because many workers turn to SNAP when they are between jobs, more than 80 percent work in the year before or after receiving SNAP. The rates are even higher for families with children. (About two-thirds of SNAP recipients are not expected to work, primarily because they are children, elderly, or disabled.)

SNAP Households with Working-Age Non-Disabled Adults Have High Work Rates

Work participation during the previous and following year for households that received SNAP in a typical month



Source: CBPP calculations based on 2004 Survey of Income and Program Participation Panel data.

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For more information, see [The Supplemental Nutrition Assistance Program Includes Earnings Incentives; SNAP Helps Millions of Low-Wage Workers](#); and [The Relationship Between SNAP and Work Among Low-Income Households](#).

Supporting healthy eating

SNAP enables low-income households to afford more healthy foods. Because SNAP benefits can be spent only on food, they boost families' food purchases. SNAP participants consume a diet similar to comparable low-income individuals not participating in SNAP. In addition, all states operate SNAP nutrition education programs to help participants make healthy food choices.

Recent research on the nationwide expansion of food stamps in the 1960s and 1970s finds that children born to poor women with access to food stamps had better health outcomes as adults — and girls grew up to be more self-sufficient — than those born in counties that had not yet implemented the program.

Responding quickly to disasters

States can provide emergency SNAP within a matter of days to help disaster victims purchase food. In 2016, SNAP helped households affected by wildfires in California, lead water contamination in Michigan, severe tornadoes and flooding in West Virginia, and severe winter storms in New Mexico. In 2017, SNAP also provides disaster benefits to households affected by Hurricane Harvey in Texas and Louisiana, and by Hurricane Irma in Florida. It also provides replacement benefits to households in Georgia affected by Hurricane Irma.

How Effective and Efficient Is SNAP?

SNAP and other nutrition programs have helped make severe hunger in America rare. Before the late 1960s, when the federal government began providing nutrition assistance, hunger and severe malnutrition could be found in many low-income communities in the United States. Today, in large part because of these programs, such severe conditions are no longer found in large numbers.

To promote efficiency and program integrity, SNAP has one of the most rigorous upfront eligibility determination systems of any public benefit program. Households applying for SNAP report their income and other relevant information; a state eligibility worker interviews a household member and verifies the accuracy of the information using data matches, paper documentation from the household, or by contacting a knowledgeable party, such as an employer or landlord. Households must reapply for benefits periodically, usually every six or 12 months, and between reapplications must report income changes that would affect their eligibility.

To promote efficiency, SNAP has one of the most rigorous quality control systems of any public benefit program.

In addition, the SNAP quality control (QC) system requires states each month to select a representative sample of SNAP cases (totaling about 50,000 cases nationally over the year) and have independent state reviewers check the accuracy of the state's eligibility and benefit decisions within federal guidelines. Federal officials then re-review a subsample of the cases. USDA annually releases state and national payment error rates based on these reviews. States are subject to fiscal penalties if their error rates are persistently above the national average. This system is among the most extensive of any federal public benefit program.

A USDA Office of Inspector General Report in 2015 drew attention to concerns about data quality issues with SNAP QC error rates in many states. As a result, USDA did not report national or state-level error rates for all states for 2015 or 2016. Since 2015 USDA has conducted detailed reviews in all states and taken action to address the quality and consistency of the measure. USDA expects that reliable SNAP error rates for 2017 will be released in June 2018.

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SNAP reaches a large share of eligible households. Eighty-five percent of individuals who qualified for SNAP benefits received them in fiscal year 2014. This represents a significant improvement from 2002, when the participation rate bottomed out at 54 percent. Participation among eligible people in low-income working families rose from 43 percent in 2002 to about 70 percent in 2014.

Nonetheless, many low-income households that receive benefits still have trouble affording an adequate diet. An Institute of Medicine report identified several shortcomings with the current SNAP benefit allotment and noted that most household benefit levels are based on unrealistic assumptions about the cost of food, time preparation, and access to grocery stores. Many families face stark choices between purchasing food and paying for rent and other necessities. If they manage this shortfall by buying less-nutritious foods, it can adversely affect their health: many low-cost, energy-dense foods that contribute to obesity are cheaper than nutritious foods such as fruits and vegetables.

For more information, see [SNAP Error Rates Remain Near All-Time Lows](#).

ⁱ This is the average from October 2016-June 2017, the most recent months of data available for fiscal year 2017.

ⁱⁱ Maximum benefits will go up in Hawaii and will fall by larger amounts in Alaska, Guam, and the Virgin Islands.