

IOWA FOOD *Security, Insecurity, AND Hunger*

No More Food Stamps: Iowa Households that Left the Food Stamp Program



The number of Iowans participating in the Food Stamp Program (FSP) is increasing. In February 2004, approximately 177,000 Iowans received FSP benefits. This is a 15 percent increase from a year earlier, and an increase of more than 50,000 participants compared to fiscal year 2000. Reasons for the increase are numerous and complex, but include recent FSP initiatives to increase participation among those eligible for benefits and the state's struggling economy.

Current trends vs. 1990s

Current FSP trends are in contrast to the last years of the 1990s, when enrollment sharply decreased following

- significant changes in social assistance programs in the state,
- passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and
- strong economic conditions.



Iowa State University received funding from the USDA's Economic Research Service to provide information about the well-being of families who had participated in Iowa's FSP in 1997, the time immediately following the introduction of new regulations. Although the economic climate of the state has changed over the last few years, the findings from this study of FSP leavers remain relevant and provide a view of the challenges these families face.

Iowa Food Stamp Leavers Survey

The Iowa Food Stamp Leavers Survey was designed to better understand what happened to those families who left the FSP and to identify the underlying economic, programmatic, and non-programmatic factors that affected the well-being of these households. In total, 735 Iowa FSP households were interviewed in 1999. Of particular interest were those who left the program during 1997 (leavers) and working age adults who did not have dependents or



a disability (Able-Bodied Adults without Dependents, ABAWDs). ABAWDs face stricter program eligibility and benefit rules.

Those sampled were very much like the general population of Iowa FSP participants in 1997: predominately female, non-Hispanic white, and most households included children. Those who left the program tended to be younger, married, and have young children. The ABAWDs were more likely to be male and African American.

Nearly 58 percent of those participating in the FSP in 1997 were not participating in the program when interviewed in 1999. Those classified as ABAWDs in 1997 had even higher rates of nonparticipation in

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1999, 82 percent. Those who left the FSP in 1997 (including ABAWDs) had better economic and employment outcomes than others, indicating that leaving was because their income increased, they got a job, their family situation changed, or because the FSP presented too much paperwork. Relatively more ABAWDs reported being cut off from program benefits.

The FSP households in Iowa received, on average, \$965 of income per month, with total household income being significantly higher for those who left the program than others. Nearly 60 percent of the FSP households worked in the month prior to



Iowa State University Extension, the Iowa Nutrition Network, and the Iowa Department of Public Health present this policy brief

- to increase understanding about the status of food insecurity and hunger among Iowa families, and
- to suggest specific action steps to help Iowa families and communities become more food secure.

the interview; 66 percent of the leavers and 70 percent of the ABAWDs worked. Earnings represented half of total income, and for leavers, earnings represented more than 60 percent of income. In contrast, the relatively small group of ABAWDs who remained in the FSP had low household income and the smallest share of income from earnings for the groups analyzed.

Although FSP participation fell dramatically during the two-year period, other measures of well-being indicate that the families studied here continued to struggle. Nearly two-thirds of the households reported income below the poverty level in 1999. More than half reported experiencing food insecurity, and nearly 28 percent reported food insecurity with hunger during the last year. Two-fifths (41 percent) of the 1997 ABAWDs were food insecure with hunger at some point in the year before the 1999 interview. These percentages are high and reflect the unmet basic needs of this population (those who had participated in the FSP in 1997 and who were still in Iowa in 1999).

Use of other community resources, such as visiting emergency shelters or receiving county relief benefits, was common (42 percent of the full sample). In addition, 57 percent had received privately provided food assistance in the last year. These households relied on friends and relatives and food pantries or churches to help with buying food. Nearly two-thirds of the ABAWDs received privately provided food assistance. Most of the families (85 percent) had access to health insurance, although the rates were lowest for the ABAWD group.

Implications

Iowa's food stamp recipients combine earnings and public and private assistance in an effort to meet basic needs. However, even in an expanding economy, these efforts often are not successful. Assistance programs, including private food assistance, remain important resources. Subsidies such as those for rent allow individuals and families to remain outside of other programs. Can earnings replace or supplement program benefits? It is not clear whether the lower work effort of stayers is a function of abilities and choice (labor supply) or a lack of more work opportunities (labor demand). The labor supply/labor demand question remains a persistent issue, and one likely to be especially important as overall economic conditions decline.

Table 1. Measures of Well-Being of Iowa Food Stamp Households¹

	Total	Stayers ²	Leavers ³
Household income below poverty	67.3%	70.6%	63.1%
Food secure	44.9%	40.7%	50.3%
Food insecure without hunger	27.3%	30.1%	23.7%
Food insecure with hunger	27.8%	29.2%	26.0%
Used community resources in the past year ⁴	41.6%	40.2%	43.5%
Used private food assistance in the past year ⁵	56.5%	57.6%	55.2%

¹Households in the Food Stamp program in 1997 were surveyed in 1999.

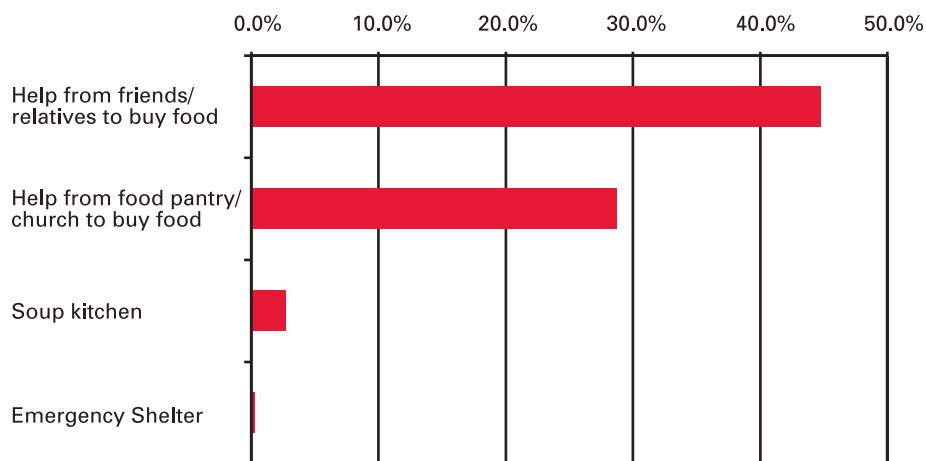
²"Stayers" were designated as those who did not leave the Food Stamp program for more than two months in 1997.

³"Leavers" had at least a two-month gap in coverage.

⁴Community resources include emergency shelter, general assistance/county relief, free clothing, public health services, alcohol or substance abuse programs, and mental health care or domestic violence services.

⁵Private food assistance responses include help from friends to buy food, food pantry, or soup kitchen.

Figure 1. Iowa Food Stamp Households' Use of Community Resources¹



¹During the past year

Several programmatic and policy implications can be drawn from this research.

- Assistance program outreach efforts within Iowa and at the national level must continue.
- Families eligible for program benefits who do not participate need to be sought out to ensure that their nonparticipation is by choice and not due to misinformation. A recent USDA-sponsored study found that more than half of the FSP-eligible nonparticipants surveyed thought they were not eligible. Most respondents said they would apply for benefits if they were sure they were eligible.
- The on-going Temporary Assistance for Needy Families (TANF) program reauthorization discussions in Congress are important to low-income Iowans. The parameters under which the Iowa Family Investment Program can operate—and how the state can meet the needs of these families—will be determined through

these deliberations. Iowa policy makers, program administrators, and family advocates need to remain involved in these policy debates for the future of these families.

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