

Hunger Task Force Position Paper

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- AB177 will be costly for the State of Wisconsin to implement and maintain.
- AB177 will increase the on-going cost of doing business in Wisconsin.
- AB177 will impose nutrition requirements that are intended for pregnant and nursing women, infants and children on all food stamp recipients without evidence of need.
- AB177 fails to account for cultural preference or the ability to reach stores which sell a full complement of the limited food options and will increase hunger.

Hunger Task Force OPPOSES LRB 1158

BACKGROUND

FoodShare is Wisconsin's name for the Supplemental Nutrition Assistance Program (SNAP), traditionally called Food Stamps. SNAP is an entitlement program of the U.S. Department of Agriculture, administered in Wisconsin by the Department of Health Services (DHS). Currently, FoodShare benefits may only be used to purchase food items (excluding such things as alcohol and tobacco products), not including hot or prepared items. 50% of FoodShare recipients are under the age of 24. 40% of FoodShare households contain a member that is elderly, blind or disabled (EBD). 26% of EBD households receive a monthly FoodShare allotment of \$20 or less.

ANALYSIS

The legislature proposes limiting 67% of a recipient's FoodShare purchases to items that are eligible for the federal Women, Infant, and Child Program (WIC) plus beef, pork, chicken, fish and fresh produce (including white potatoes). WIC is designed to meet the nutritional needs of pregnant mothers, infants and children, not the general population. This dramatic modification to the FoodShare program is offered without reference to science, practicality, effectiveness or implementation and continuity costs.

1. There has been no consideration given to the cultural food preferences of different racial or ethnic groups, or to the very real limitations on access to healthier food options that confront many low-income households.
2. The State of Wisconsin will cover costs incurred by grocers to implement this program. This cost will be substantial. This is a questionable use of limited state tax dollars. FoodShare is used by eligible low-

income families through an electronic benefits transfer (EBT) card called the Quest card. Purchases are scanned and totaled, the Quest card is swiped through an EBT reader, the purchaser enters a four digit PIN, and the cost of food items is deducted from the Quest account. The Quest card is federally mandated to be interoperable between U.S. States.

Limiting the foods that can be purchased in Wisconsin with 67% of a recipient's FoodShare allocation will require a significant upfront financial investment to modify the Quest EBT system by the Wisconsin Department of Health Services. In the unlikely event that the USDA grants a waiver to allow this program to go into effect, it remains doubtful that the federal government will share the cost of developing and implementing this EBT technology.

3. The WIC program was designed to meet the nutrition needs of pregnant mothers, infants and children, not the general population. The [WIC approved food list](#) is brand and size specific. Adding meats and fresh produce (not uniformly available on a regular or cost-effective basis in all communities throughout the year) to the WIC food list does not guarantee a balanced, healthy or sufficient diet for older children, adults or senior citizens that are using Food Share.
4. Many senior citizens receive the minimum FoodShare allotment of \$16/month. Limiting seniors' access to needed items will increase hunger.
5. This bill will add complications and inefficiencies that will increase the cost of doing business in Wisconsin.
 - It requires that grocery store clerks become the State's "food nannies," monitoring and allowing or disallowing a FoodShare customer's purchases of different food items.
 - The 67% limit and the requirement that the Quest Card be pre-swiped adds a burdensome complication to the grocery check-out process which will slow down shopping lines in grocery stores, costing grocers time and money.
 - [7 CFR 278.2\(b\)](#): Federal rules prohibit retailers from treating SNAP/FoodShare participants differently than other customers. Requiring a "pre-swipe" is tantamount to requiring prepayment in the check-out lane, singling out food stamp recipients.
 - It will add a layer of complexity to self-service check-out stands that may undercut their utility for time and cost savings to grocers and shoppers.

- Rather than submit to the bureaucratic red-tape created by this measure, some grocers may choose to stop participating in the FoodShare program, further decreasing the options of the poor to find food.

 - Wisconsin Economic Impact of SNAP / FoodShare:
 - ❖ \$1.00 of FoodShare generates \$1.79 in local economic activity.¹
 - ❖ Wisconsinites received more than \$1.111 billion in FoodShare benefits in 2014,⁵ which generated more than \$1.989 billion dollars in economic activity.
6. The USDA Food and Nutrition Service must approve any limitations on food that can be purchased with SNAP / FoodShare. The USDA is on record opposing such limitations and has already rejected similar requests for waivers in other states.

The USDA has programs in place that seek to improve the nutrition and health of SNAP through health and nutrition education ([SNAP-ED](#)) rather than mandating what they eat. Increasing SNAP availability and incentives in Farmers' Markets is having success bringing more fresh produce to SNAP recipients and benefiting the local economy in Michigan.

7. Hunger Task Force works to feed hungry people with respect and dignity. Hunger does not respect age, sex, race or background. Many visitors to local pantries and soup kitchens never would have anticipated the unforeseen circumstances that put them in the position of asking for help. We do not believe that people struggling to feed themselves are second class citizens. One of the benefits of the FoodShare program is it gets people out of the food pantry system and into the grocery store. Citizens should be able to choose what they can purchase and eat, and use the same check-out lane.

¹ [USDA Economic Research Service report: Food Assistance and Nutrition Research Report Number 26-6](#)

FOODSHARE FACTS:

- Studies have consistently shown that participation in federal anti-hunger programs such as SNAP do not increase the likelihood of being overweight or obese.¹
- According to Center for Budget and Policy Priority, fruits and vegetables, grain products, meats, and dairy products comprise almost 90 percent of the food that SNAP households buy.²
- SNAP participation has been found to reduce food insecurity for households.³
- Food insecurity has been found to have many negative impacts on the health of individuals including higher rates of diabetes, heart disease, and depression.⁴
- About 820,000 people (one in seven) in Wisconsin currently use SNAP / FoodShare benefits.⁵ In 2013, more than 1.097 million people (one in six) in Wisconsin received SNAP / FoodShare.⁶
- 63% of FoodShare recipients are either minors (41%) or elderly, blind or disabled (22%). 33% of FoodShare households have at least one person working. 39% of adult recipients are employed.⁷
- For the period 2000 – 2009 SNAP benefits decreased the severity of child poverty by 21.3%, and poverty overall by 13.2% nationally.⁸ 14% of Wisconsin households struggled with food hardship in 2011.⁹
- The average allotment per SNAP/FoodShare household in Wisconsin is \$222 per month.⁷
- 100% of FoodShare benefits are paid by the federal government. Program administration is shared equally between the state and federal governments.¹⁰

¹ [Food Stamps and Obesity: What do we know?](#) United States Department of Agriculture, March 2008.

² [Policy Basics: Introduction to the Supplemental Nutrition Assistance Program](#). Center on Budget and Policy Priorities, March 2013.

³ [Does SNAP decrease food insecurity?](#); USDA Economic Research Service Report Number 85, October 2009

⁴ Olson, C.M. (1999). [Nutritional and Health Outcomes Associated with Food Insecurity and Hunger](#). The Journal of Nutrition, 129: 521-524.

⁵ [Wisconsin Department of Health Services](#) (January, 2015)

⁶ [Wisconsin Department of Health Services](#) (January, 2014)

⁷ [FoodShare Wisconsin Program at a Glance, January 2015](#) Wisconsin Department of Health Services

⁸ [Alleviating Poverty in the United States The Critical Role of SNAP Benefits](#), U.S. Department of Agriculture Economic Research Service, April 2012

⁹ [Food Hardship in America 2012](#), Food Resource and Action Center, February 2012

¹⁰ [Wisconsin Legislative Fiscal Bureau "Food Share Wisconsin"](#). January 2011, pg. 5