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INFORMATIONAL MEMORANDUM FOR RAHM EMANUEL

FROM: P. Scott Shearer *PS* 7/18/85
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SUBJ: Food Stamp Block Grant - Senate

Following is a list of the Senators that Secretary Glickman and Under Secretary Haas will contact this week concerning the block granting of the Food Stamp Program.

Secretary Glickman:

Bond
Domenici
Hatfield
Kassebaum
Specter

Under Secretary Haas:

Campbell
Chafee
Cohen
Jeffords
Snowe



CENTER ON BUDGET AND POLICY PRIORITIES

WR - Food Stamp Block Grant

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SHOULD THE FOOD STAMP PROGRAM BE BLOCK-GRANTED?

by Robert Greenstein

In considering nutrition legislation earlier this month, the Senate Agriculture Committee faced three important questions regarding the food stamp program. Should the program be converted to a block grant? Should states be given more flexibility in operating the program and freed from an array of current federal requirements? Should program costs be reduced?

A block grant is one means of increasing state flexibility and reducing cost, but it is not the only means of doing so. As the legislation approved by the Agriculture Committee demonstrates, state flexibility can be substantially increased — and program costs substantially reduced — without turning the program into a block grant.

The box on the next page lists ways in which the Agriculture Committee legislation enhances state flexibility without converting the program to a block grant. The degree of flexibility the legislation grants to states is unprecedented. Furthermore, additional changes to increase state flexibility are in store. USDA has announced plans to overhaul federal food stamp regulations and sharply curtail prescriptive federal requirements.

The legislation the Agriculture Committee approved also helps meet budget targets; it reduces nutrition program expenditures by \$19 billion over five years, with \$16.5 billion of this \$19 billion in reductions coming from the food stamp program. The bill produces food stamp savings about 50 percent larger than those that would be generated under a food stamp block grant circulated by Governor Engler's staff in April. Using Congressional Budget Office baselines, that block grant would have yielded savings of less than \$11 billion over five years.

The question of whether to convert the food stamp program to a block grant thus should not turn on the belief that a block grant is necessary to provide greater state flexibility or meet budget targets. The block grant decision should be made on its own merits.

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ACCORDING STATES MORE FLEXIBILITY

To provide more state flexibility, the Agriculture Committee bill includes the following items.

- It accords states sweeping flexibility to set their own rules governing the food stamp benefit structure for families receiving cash assistance under the block grant that would replace AFDC. States would have the option of replacing the vast majority of food stamp rules that now apply to AFDC families and substituting their own rules — *without* having to secure a waiver — so long as the state changes do not increase federal costs. States could integrate benefit determinations for their cash assistance and food stamp programs as they saw fit. This provision represents one of the most radical changes in the food stamp program's history.
- States would be permitted, again without having to seek a waiver, to convert food stamp benefits to wage subsidies provided to employers. States could require food stamp recipients in these wage subsidy projects to work for wages rather than receive food stamps.
- States would be accorded broad flexibility regarding the design and use of funds under the food stamp employment and training program, which is designed to ensure that recipients meet work requirements and to help them achieve self-sufficiency. Various prescriptive federal requirements that now govern the program — and make it more difficult for states to operate the program in tandem with work programs for AFDC families or with other job training programs in the state — would be repealed.
- Federal rules that have impeded state efforts to move to electronic benefit transfer systems (EBT), which can substantially reduce fraud and food stamp trafficking, would be repealed.
- An array of federal requirements regarding food stamp application forms, the application process, and how states should coordinate the food stamp program with other assistance programs would be removed. States would be free to make these decisions themselves.
- States would, for the first time, be given the flexibility to go beyond federal rules governing work requirements. They would be given the option to subject families with very young children to these requirements and to impose stiffer disqualification sanctions. States also would be allowed to reduce or terminate food stamp benefits for households whose benefits are being reduced or terminated in another program due to noncompliance with a rule of that program. In addition, states would be allowed to use new tools to recover overissuances from households that had received excess food stamp benefits due to an error.
- In areas where the legislation does not explicitly accord states sweeping flexibility, it allows them to seek waivers from federal rules, and it greatly expands the scope of the waiver process. Under current law, waivers that would result in the food stamp eligibility or benefit structure being made more restrictive for any category of households can be granted only in limited circumstances. The Agriculture Committee legislation would repeal this restriction and open up virtually all aspects of the program and the benefit structure to waivers. Moreover, the Agriculture Department would be required to respond to state waiver requests within 60 days and to provide the Agriculture Committee with written justification anytime it rejected a state waiver request.

In short, the legislation accords states nearly as much flexibility as a block grant would, and probably more flexibility than a block grant that had a number of strings attached to it. While securing this flexibility, states would continue to be protected if factors outside of their control, such as a national recession or rapid population growth, resulted in a rise in the number of poor households qualifying for food stamps.

Block Grants, Recessions, Population Growth, and Changes in Need

The food stamp program responds to changes in need. If more households qualify for food stamps because poverty increases — such as during a recession or when a state's population grows rapidly — the program expands so households that apply and meet the eligibility criteria may receive assistance. When poverty subsequently declines, as it does during most economic recoveries, the program tends to contract.

The food stamp program is especially responsive to increases in unemployment, far more so than the AFDC program is. Between June 1990 and June 1992 as the national unemployment rate climbed from 5.1 percent to 7.7 percent, the number of people receiving food stamps rose more than five million.

Under a block grant, the ability of the program to respond to fluctuations in the economy and changes in need would be lost. States would receive a fixed amount of funding at the start of the year. The amount would not rise if need increased. If unemployment or population rose, *states would have to bear 100 percent of the added food assistance costs themselves.*

This would present states with difficult dilemmas during recessions. State revenues shrink during economic downturns. If the food stamp program is converted to a block grant and poverty subsequently rises, states would have to choose between such courses as: raising taxes or cutting other programs more deeply during a recession to free up funds for mounting food assistance needs; denying the newly unemployed poor entry into the food assistance program; placing the newly poor on waiting lists for extended periods; and cutting benefits across-the-board.

A poor family or elderly individual applying for benefits in July or August of a year could be denied assistance for the remainder of the fiscal year because a state was running out of block grant funds while unemployment and poverty climbed. Two-parent families with a worker who recently lost his or her job — a group whose participation in the food stamp program rises sharply in recessions — could be affected with particular severity. They would be in greater jeopardy of being denied aid than long-term poor households already on the program.

These problems would not be limited to periods of national recession. Individual states or regions often experience high levels of unemployment at times when the national economy is not — or not yet — in recession. In addition, wages for low-paid jobs are continuing to erode in some states, in part due to international competition. This can push more working families in the state below the poverty line and make them eligible for food assistance. Some states also are experiencing substantial population growth that raises the number of poor people needing food aid.

Votes in the House on a Food Stamp Block Grant

The House considered the proposal to convert food stamps to a block grant both in the Agriculture Committee and on the floor. The Committee rejected the block grant 37-5. On the floor, the vote was 316-114. On the floor as well as in the Committee, a majority of the Members of both parties voted against the proposal.

While the current food stamp benefit structure responds to economic and demographic factors that increase or decrease poverty, a block grant would not.

Allocating Block Grant Funds Among States

These concerns are intensified by a related problem — any formula used to allocate block grant funds among states would have to be based on outdated data. The most recent state-by-state poverty and income data are several years old.

If, for example, one wished to use state poverty data to allocate block grant funds for fiscal year 1996, the allocation would have to be based on a three-year average of state poverty data for 1991, 1992, and 1993; those are the most recent such data available. But these data would be three to five years old by 1996, and substantial variation in state economic conditions and population growth can occur during such a period.

An alternate approach is reflected in a food stamp block grant proposal developed in April by Governor Engler's staff. It would distribute block grant funds based primarily on each state's percentage share of federal food stamp expenditures in fiscal year 1994. The amount of funding provided to a state would generally equal food stamp expenditures in the state in fiscal year 1994, adjusted for inflation.¹ This approach, too, would pose problems. As the years passed and 1994 receded farther into the past, 1994 expenditure levels would become increasingly inadequate as a measure of relative need among states. Sharp inequities would develop.

During recessions, unemployment and poverty levels climb sharply in some states; these states would be heavily disadvantaged by a block grant allocation formula tied to the 1994 distribution pattern. At the same time, other states less sharply affected by the economic downturn could receive a share of block grant funds that substantially exceeded their share of the number of poor people nationwide. The states hit hardest by the recession would simultaneously face large declines in state revenues and be

¹ A state would receive funding equal to the higher of the state's food stamp expenditures in fiscal year 1994 or average annual food stamp expenditures in the state from fiscal year 1992 through fiscal year 1994. In most states, fiscal year 1994 expenditures were higher.

among the states least able to provide state funds to respond to the additional need the downturn created.

The potential impacts of a food stamp block grant during a recessionary period can be seen by examining what would have occurred if the proposal developed by Governor Engler's staff had been enacted in the late 1980s and been in effect for the past five years. Had the proposal been enacted in 1989 and taken effect in 1990, block grant funding in fiscal year 1994 would have been 36 percent below the amount of federal food stamp funding actually provided that year. Some states would have been cut far more than 36 percent, however, while other states were cut less.

Seventeen states would have lost more than 40 percent of their food stamp funds. Seven states would have lost more than *half* their food stamp funds, including California and Florida, which each would have lost more than 60 percent. Yet while these states were losing heavily, some other states would have lost far less. Four states would have lost less than 10 percent of the federal money they received last year. One state would have come out ahead.

These highly differential effects would have occurred in part because in the years after 1989, unemployment climbed substantially in some states, and more people in the hard-hit states became poor and applied for food stamps. Another key factor was that the populations of some states grew sharply. These economic and demographic changes were uneven; increases in unemployment, population, and poverty between the late 1980s and 1994 varied widely across states. As a consequence, the block grant would have affected some states far more severely than others.

Macroeconomic Efforts

The conversion of food stamps to block grant status — and the consequent loss of an automatic federal response during recessions — also would have another noteworthy effect. It could weaken the national and state economies. The food stamp program functions as what economists call an “automatic stabilizer” — a federal program that helps to moderate economic downturns by infusing more purchasing power into state and local economies when recession sets in. As the single means-tested program that responds most strongly to economic downturns, the food stamp program is one of the more important automatic stabilizers in the federal government's recession-fighting arsenal. The automatic stabilizer role played by the program would be lost under a block grant structure. Converting the program to a block grant that does not respond to cyclical downturns in the economy could contribute to making recessions somewhat deeper and more protracted.

Herbert Stein on Recessions and Means-Tested Benefit Programs

On May 31, 1995, the *Baltimore Sun* ran a story on welfare reform that extensively cited the comments of Herbert Stein, chairman of the Council of Economic Advisers under President Nixon and now a Senior Fellow at the American Enterprise Institute. According to the *Sun*, Stein observed that the increase in means-tested benefits during recessions provides laid-off workers the means to purchase essential goods and services, stimulates demand as a result, and helps to keep businesses that serve these workers from going under during economic downturns. The article stated:

"One reason the Great Depression lasted as long as it did and struck as many people as it did was because government simply had no means of quickly intervening to reverse it," says Mr. Stein. "That's one reason we built this system. I see very little appreciation of that fact in Washington right now."

"Time and again, he says, the existing system has rescued the economy and protected working families from collapse at relatively low cost. Without it, he predicts that the inevitable cycle of recessions in the U.S. economy will be deeper, last longer and hit more people."³

³ Jim Haner, "Counting the Cost of Saving Money on Welfare," *Baltimore Sun*, May 31, 1995, page 1.

The effects could be particularly sharp on the retail food sector. One function the food stamp program plays is to help maintain food purchasing power and retail sales during recessions. A food stamp block grant that did not respond to recessions could place retail food outlets that are located in poor areas and have low profit margins in jeopardy during economic downturns due to the decline in food purchases that would ensue.

Rainy Day Funds

Some have suggested that these problems could be addressed through a rainy day fund that allows states to accumulate unspent block grant funds and draw them down in subsequent years when need increases. Analysis shows, however, that a mechanism of this nature could address only a small fraction of these problems.

The amount of funding that states would likely receive under a food stamp block grant would almost certainly represent a substantial reduction from the amount of assistance that low-income households receive under current law. It is unlikely that states would leave large amounts of block grant funds unused and amass large amounts of unspent funds.

If a recession hit, it would almost certainly swamp whatever modest amounts most states had been able to accumulate in these reserve funds, with state reserves likely being exhausted in the first few months of a recession. Over the three fiscal years from 1990 through 1992 — when recession set in and unemployment rose — federal food stamp funding climbed \$17.9 billion above the fiscal year 1989 level. Any state reserves would be quickly washed away in such a circumstance.⁴

Prospects for Administrative Savings

Yet another hope sometime expressed by block grant proponents is that administrative savings could help fill these fiscal gaps. Analysis largely dispels this hope, as well. Whatever administrative savings might be achieved are likely to be modest.

USDA conducted four demonstration projects in the 1980s to test the effects of aligning food stamp and AFDC rules and simplifying and standardizing the food stamp program. Food stamp administrative savings ranged from near-zero to six percent of administrative costs. Since federal and state administrative costs combined equal 12 percent of total food stamp costs, eliminating six percent of food stamp administrative costs means saving less than one percent of total food stamp expenditures. Savings of this magnitude are insignificant when compared to the increases in cost that are routinely caused by recessions and population growth.

Among the reasons the potential administrative savings appear modest is that a very large share of food stamp administrative costs consist of expenditures for eligibility workers who verify applicants' incomes and take other steps to prevent fraud and abuse and ensure that applicants qualify for benefits. (In addition, virtually all states already use joint application procedures for AFDC and food stamps.) Securing large reductions in administrative costs is likely to prove difficult without diminishing efforts to verify applicants' eligibility and thereby heightening the program's vulnerability to error and fraud.

⁴ The cash assistance block grant in the welfare bill approved by the Senate Finance Committee also includes a "rainy day loan fund" of \$1.7 billion from which states could borrow during a recession. If such a feature were added to a food stamp block grant, however, it, too, would have limited effect. The \$1.7 billion would be quickly depleted during an economic downturn; as noted above, in the early 1990s, food stamp expenditures rose nearly \$18 billion above the 1989 level, or more than ten times the \$1.7 billion amount in the Finance Committee's rainy day loan fund.

Furthermore, many states would likely be discouraged from borrowing from such a fund because they would have to pay the loan back in full and with interest. That could pose a fiscal burden for states in the future. That this "rainy day" assistance would come to states in the form of a loan also means that if a state's food assistance costs mounted because the federal government had mismanaged the economy, the state would eventually have to pay 100 percent of the additional food assistance costs that resulted.

Furthermore, under a block grant, states might have to incur major *new* administrative costs in one vital area, authorizing and monitoring retail food stores and investigating suspected cases of retailer abuse. Such tasks are now performed entirely by the federal government.

Disparities Among States

Another important issue is that converting food stamps to a block grant would end the program's ability to help prevent the state variations in benefit levels provided to poor children from growing substantially larger than they already are. Under current law, food stamp benefits rise when a state reduces AFDC benefits and decline when a state increases AFDC benefits, an aspect of the food stamp program that helps keep state disparities from growing too wide.

The program's strong role in reducing disparities among states can be seen by comparing a state like Vermont, which pays high AFDC benefits, to a low-payment state like Mississippi. The AFDC benefits paid to a family of three with no other income are five times higher in Vermont than in Mississippi. But when food stamps are taken into account, the benefit ratio falls from 5:1 to 2:1.

If the food stamp program is converted to a block grant, however, its benefits would no longer rise when a state reduced AFDC benefits and no longer decline when cash benefits increased. The almost-certain result would be a widening of disparities among states over time.

These widening disparities, in turn, could induce a growing number of states to reduce benefits to poor children and their families because they feared that if they allowed the disparities to grow too large between themselves and other states, they would become "welfare magnets" that attracted growing numbers of poor families. Harvard professor Paul E. Peterson, one of the nation's leading experts on federalism, warned in a recent essay that risks of a "race to the bottom" will become extremely high if *both* AFDC and food stamps are converted to block grants.

Peterson noted that if a poor family which has moved to a new state applies for AFDC benefits today, the federal government pays at least half of the new state's costs in providing the benefits. Under an AFDC block grant, by contrast, the new state would bear *all* of the cost of providing benefits to the new arrival. Peterson observes that in such circumstances, states which pay above-average benefits are likely to fear they will attract too many newcomers if they do not cut their benefit levels. "Eventually, all states will be racing to shift the cost of welfare to their neighbors," he states.

How sharp the resulting downward spiral in benefit levels becomes depends in no small part on what happens to the food stamp program. "Until now," Peterson explains, "interstate variation in the combined cash and food stamp benefit has been moderated by the design of the food stamp program, [since food stamp benefits] increase by one dollar whenever cash benefits are cut by three. This provision reduces by about one-half the extent of interstate differences in combined cash and food stamp benefits." If the food stamp program is replaced with a block grant, however, food stamp benefits will no longer rise to offset a portion of an AFDC benefit reduction. As a result, "variation in state policy will increase" and "the race to the bottom can be expected to accelerate."⁵

It may be noted that the food stamp program lacked a national benefit structure in its early years. The federal structure was instituted under President Nixon, with bipartisan support, in part to help address problems posed by large state disparities. The Nixon Administration moved to a national benefit structure when substantial disparities emerged among states and studies found hunger to be a serious problem, particularly in some poor southern and Appalachian areas.

Would Block-Granting Food Stamps Help Ease Problems Created by an AFDC Block Grant Formula?

Recently, an argument has emerged that states adversely affected by some of the formulas for allocating funds under a proposed cash assistance block grant would be aided if the food stamp program were converted to a block grant at the same time. The argument is that federal funding per poor family (or poor child) under a cash assistance block grant like that approved by the Senate Finance Committee will vary from state to state but this variation will be reduced considerably if food stamps are block-granted as well.

The contention that adding food stamps to a block grant would lessen disparities among states overlooks the fact, however, that *the current food stamp structure lessens interstate disparities to a greater extent than a block-granted food stamp program would*. This is because a food assistance block grant would be able to do little if anything to lessen disparities that developed or widened in the future.

Any formula for allocating AFDC block grant funds will create winners and losers among states; some states will receive considerably less federal funding than they would get under current law, while other states either will lose much less federal

⁵ Paul E. Peterson, "State Responses to Welfare Reform: A Race to the Bottom?," Urban Institute, May 1995.

funding or receive more than they would get under current law. If the current food stamp structure is maintained, food stamp benefits will rise in states that are major losers under the AFDC block grant formula and reduce their cash assistance benefits as a consequence. Conversely, food stamp benefits will fall in states that emerge as winners under the AFDC block grant formula and are able to raise their cash assistance benefit levels. The food stamp program thus is positioned to play an important role in mitigating the problems and softening the inequities caused by an AFDC block grant formula. But if the food stamp program is itself converted to a block grant with fixed state-by-state funding levels, its ability to mitigate problems caused by an AFDC block grant formula will be lost.

Furthermore, turning food stamps into a block grant would substantially intensify the problems an AFDC block grant would cause for states that experience a recession or rapid population growth in coming years. These states would encounter fiscal difficulty when rising unemployment or population growth led to increases in the number of families seeking cash assistance and federal funding under the cash assistance block grant did not respond (or responded only partially). If the current food stamp structure remains in place, the fiscal stress these states experienced would be moderated, because federal food stamp funding would rise in accordance with the increased need. (Moreover, if a state had to reduce cash benefit levels to accommodate its growing cash assistance caseload, food stamp benefit levels would rise to offset some of this reduction in benefits for poor families.) But if the food stamp program also had been block-granted, the state's fiscal problems would be exacerbated rather than eased. Not only would the state's federal block grant funding for cash assistance prove inadequate, leaving the state with a fiscal hole, but its food assistance block grant funding would fall short by a still-larger margin. During the last recession, total expenditures for food stamp benefits rose about *three times as much* as expenditures for AFDC benefits did; the food stamp rolls climbed by five million people nationally during the recession of the early 1990s.

These issues seem not to be well understood. While some policymakers have argued that converting food stamps to a block grant would lessen problems that an AFDC block grant formula would cause for states, analysis indicates the opposite is the case. If the food stamp program remains outside a block grant, the interstate inequities caused by an AFDC block grant would be mitigated somewhat. So would the problems states would encounter when their federal AFDC block grant funds failed to rise in response to increases in unemployment or state population. By contrast, if the food stamp program also is turned into a block grant, its ability to reduce the interstate inequities of an AFDC block grant and to ease problems in states hit hard by unemployment or population growth would be lost, and such inequities and problems would be heavily magnified rather than cushioned.

Effect on Southern States

Some of the states that would be affected most severely by converting the food stamp program to a block grant are the same states that feel aggrieved by the funding formula in the Senate Finance Committee's cash assistance block grant — namely, southern and southwestern states. Under current law, if a recession or population growth results in more families applying for AFDC and food stamps in states like Florida, Mississippi, New Mexico, or Texas, the state pays between six percent (in Mississippi) and 23 percent (in Florida) of the total cost of the combined AFDC/food stamp benefit package for these families. (The figures for New Mexico and Texas are 13 percent and 14 percent, respectively.) If AFDC — but *not* food stamps — is converted to a block grant and these states exhausted their federal block grant funds as a result of rising unemployment or population growth, the states would bear between 30 percent and 55 percent of the costs of the combined benefit package for new families that apply. But if *both* AFDC and food stamps are block-granted, these states would bear 100 percent of the cost of providing cash and food assistance to poor families once federal block grant funds had been exhausted.

To translate the percentages into dollar terms, Mississippi paid an average of \$24.38 per month for each new family that enrolled in AFDC and food stamps in 1993. If AFDC (but not food stamps) had been converted to a block grant and the state had exhausted its block grant funds, each new family would have cost Mississippi \$116.14. If food stamps had been block-granted as well, each new family would have cost the state \$390.80.

All other states, including more affluent states, would face similar problems. For example, New York paid an average of \$233.97 of the benefit cost of each new family that enrolled in AFDC and food stamps in 1993. This figure would have climbed to \$467.94 if AFDC had been block-granted and the block grant funds ran out, such as in a recession. If food stamps had been converted to a block grant as well, the average cost to New York of serving each new family would have soared to \$685.31.⁶

A Safety Net for Children

If Congress converts AFDC to a block grant, maintaining the food stamp structure will take on added importance for another reason. In the debate over the

⁶ In percentage terms, New York now bears 34 percent of the cost of the combined AFDC/food stamp benefit package. If AFDC were converted to a block grant and a recession set in and swelled caseloads, the state would bear 68 percent of the cost of providing benefits to new families. If food stamps were block-granted as well, the state's share of the cost of serving additional families after the block grant funds had been exhausted would rise to 100 percent.

AFDC portion of the House welfare bill, Democrats on the House Ways and Means Committee criticized the cash assistance block grant as removing the safety net for poor children; a state could run out of block grant funds and have to turn poor children away, they argued. A key part of the response of Republican members of the Ways and Means Committee was that food stamps would remain as the safety net of last resort.

If the food stamp program is converted to a block grant, however, there is no assurance the safety net will be there. A state could run out of food stamp funds, too, and have to turn poor families away or institute large across-the-board cuts. The need to maintain food stamps as a national safety net if AFDC is block-granted was emphasized by House Agriculture Committee chairman Pat Roberts when his Committee elected not to convert food stamps to a block grant.

The food stamp program is indeed of particular importance to children. Over half of food stamp recipients are children. More than 80 percent of food stamp benefits go to families with children. Much of the rest goes to the elderly and disabled.

Those receiving the benefits are quite poor. Some 97 percent of the benefits go to households with gross incomes below the poverty line; more than half the benefits go to households with gross incomes below 50 percent of the poverty line.

Concerns About Fraud

Another concern is how conversion to a block grant would affect anti-fraud efforts. The federal government devotes substantial resources to combating food stamp fraud. USDA operates a sophisticated computer system that identifies suspicious food stamp redemption patterns. Federal undercover agents visit the suspicious stores and gather evidence of illegal activity. If food stamps are converted to a block grant, much of this responsibility will shift to states. Few states will be able to match the anti-fraud capabilities and resources of this federal operation. Both Republicans and Democrats on the House Agriculture Committee cited concerns about a weakening of anti-fraud efforts as one of the reasons they did not adopt a food stamp block grant.

Effect on the Food and Agriculture Sector

A final issue is the effect a block grant would have on the food and agricultural sector of the economy. USDA studies in the 1970s found that the establishment of the food stamp program led to large increases in retail food sales in poor counties. This effect would be likely to lessen under a block grant, particularly if the block grant entails the cashing out of food stamps.

Those governors who favor a food stamp block grant do seek a *cash* block grant, under which states could use the funds for purposes other than food purchases. Research findings from major USDA demonstration projects that have tested food stamp "cash-out" show that food expenditures decline 20 cents to 25 cents for each dollar of food stamp benefits which is cashed out.⁷ Such a block grant thus would likely lead to reductions in food purchases totaling in the billions of dollars, with attendant effects on the food and agriculture sector.

Moreover, the finding that food sales decline 20 cents to 25 cents for each dollar that is cashed out comes from demonstration projects in which families were given cash benefits equal to their food stamp benefits. In these demonstrations, the families had the same overall buying power. But those governors who wish to convert food stamps into a cash block grant seek authority to use the block grant funds for a much broader array of purposes. Under their proposals for food stamp and AFDC block grants, states could withdraw some of the state funds they now provide for work activities and child care services for welfare recipients and supplant these state funds with food stamp block grant funds. The state then could take the state funds it had withdrawn from the work and child care programs and use those funds for anything from filling potholes to paying the salaries of state employees.

When examined in combination with the cash assistance block grant that the Finance Committee has approved, *the food stamp block grant sought by some governors appears to be a not-very disguised form of revenue sharing.* Under such a block grant, in which food stamp benefits would not necessarily be replaced fully with cash benefits provided to needy families, the decline in food purchases could be substantially larger than 20 cents to 25 cents for each dollar in benefits that had been cashed out.

The risks of such a series of events transpiring are strong. In coming years, state legislatures will face losses in federal funding in areas ranging from education to highways to health care as the federal government strives for budget balance. Programs such as these generally carry greater clout with state legislatures than does food aid for the poor. The temptations for states to use cashed-out food stamp block grant funds in a manner that frees up state money to help plug other budget holes would be powerful.

⁷ Thomas M. Fraker (Mathematica Policy Research), Alberto Martini (Urban Institute), and James C. Ohls (Mathematica Policy Research), "The Effect of Food Stamp Cashout on Food Expenditures: An Assessment of the Findings from Four Demonstrations," December 1994.

Food Stamps: the Historical Record

In the 1960s, a team of doctors sponsored by the Field Foundation examined hunger and malnutrition among poor children in the South, Appalachia, and other impoverished areas. They found a substantial incidence of hunger and nutritional problems, as did government studies and surveys conducted during that period.

Ten years later, the team of doctors went back to these areas. In a report they issued and in testimony before the Senate Agriculture Committee, the doctors described the changes that had occurred over the 10-year span. They reported that striking progress had been made and the food stamp program appeared to be the principal reason for it.

"Everywhere we looked in 1967 we found hungry children suffering from the diseases that malnutrition causes," the doctors reported. "Now, in those same areas, there is nowhere the same evidence of gross malnutrition we saw then."

"In the Mississippi delta, in the coal fields of Appalachia and in coastal South Carolina — where visitors 10 years ago could quickly see large numbers of stunted, apathetic children with swollen stomachs and the dull eyes and poorly healing wounds characteristic of malnutrition — such children are not to be seen in such numbers today."

The doctors reported a 33% decline in infant mortality, and stated that "infant deaths from diarrhea, influenza, and pneumonia, many related directly to poverty and malnutrition, have declined 50% or more." These changes have not been due to any overall improvement in living standards, the doctors told the Senate Agriculture Committee, but rather to food programs and especially food stamps. The doctors stated that "the food stamp program does more to lengthen and strengthen the lives of disadvantaged Americans than any other noncategorical social program" and "is the most valuable health dollar spent by the federal government." Developments such as this led Senator Bob Dole at one point to term the food stamp program the most important social program since Social Security.

Conclusion

Conversion of the food stamp program to a block grant would pose significant risks for states, low-income families and children, and the food and agriculture sector, including food retailers. States can be accorded substantial flexibility, and substantial cost savings can be extracted from the program, without instituting a block grant and incurring these risks. The bill the Senate Agriculture Committee approved, which accords states very broad flexibility while continuing to protect them in recessions and when their populations grow — and which also extracts large cuts from the food stamp program (the average benefit loss would be more than \$350 per family by the year 2000) — shows this can be done.

There are, of course, limits to how much can be cut without causing hardship. Food stamp benefit levels are modest, and the combined AFDC/food stamp benefit package for families in the median (or typical) state has fallen more than 25 percent in purchasing power since 1970. In fact, the purchasing power of the combined AFDC/food stamp benefit package has slipped so much that it has fallen back to the level of AFDC benefits *alone* in 1960, before the food stamp program was created.

In addition, more than half of food stamp recipients are children, and 56 percent of food stamp benefits go to households with gross incomes below *half* of poverty line. These realities limit the degree to which food stamp benefits can safely be scaled back. The legislation the Senate Agriculture Committee approved runs a serious risk of crossing this line, a risk that would intensify if the steep reductions in the bill are made still larger.

But whatever amount of savings Congress wishes to extract from the food stamp program, food stamp funding is likely to be distributed more equitably — and states, poor families, and the food and agriculture industry exposed to less risk — without a block grant than with one. A block grant would force states with declining economies, rapidly growing populations, or poverty levels that are rising for other reasons, to choose between cutting benefits substantially or providing large amounts of state funds to meet the increasing need. Regardless of the level of food stamp assistance that one believes is appropriate and how much one believes the program should be scaled back, it is difficult to justify imposing more severe cuts on states with weak economies, growing populations, or increased numbers of poor people for other reasons, than on states where the economy is robust and poverty is stable or declining.

EFFECTS OF BLOCK GRANTING FOOD STAMPS

STATE-BY-STATE ANALYSIS

July 6, 1995

Food and Consumer Service
U.S. Department of Agriculture

ALABAMA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Alabama would have lost 41% of its actual Federal funding by 1994 (\$287 million versus the \$487 million the State actually received); 310,000 fewer Alabama residents could have been served with the available funding, a reduction of 56%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Alabama's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, ALABAMA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Alabama would have lost \$100 or \$125 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Alabama would have lost \$200 or \$225 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Alabama absorbs about 10% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Alabama would absorb 36% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN ALABAMA:

During 1994, Alabama served about 550,000 people through the Food Stamp Program -- about 13% of the State's population -- compared to 200,000 through AFDC.

- Among Alabama families receiving Food Stamps, nearly one-third were working poor, another one-third were elderly or disabled, and about 60% contained children. Only 20% of the food stamp families in Alabama received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Alabama increased by 20% as the State and national economies worsened -- Alabama received \$2.6 billion in Federal funds for AFDC and Food Stamps; about 85% of that total was Food Stamp Program funding.

ALASKA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Alaska would have lost 48% of its actual Federal funding by 1994 (\$32 million versus the \$60 million the State actually received); 29,000 fewer Alaska residents could have been served with the available funding, a reduction of 64%. *More than half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Alaska's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, ALASKA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Alaska would have lost \$15 or \$35 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Alaska would have lost \$30 or \$60 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Alaska absorbs about 40% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Alaska would absorb 80% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN ALASKA:

During 1994, Alaska served 45,000 people through the Food Stamp Program -- about 8% of the State's population -- compared to 45,000 through AFDC.

- Among Alaska families receiving Food Stamps, nearly one-quarter were working poor, another one-tenth were elderly or disabled, and about 70% contained children. Almost 70% of the food stamp families in Alaska received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Alaska increased by 82% as the State and national economies worsened -- Alaska received \$480 million in Federal funds for AFDC and Food Stamps; about 47% of that total was Food Stamp Program funding.

ARIZONA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Arizona would have lost 62% of its actual Federal funding by 1994 (\$166 million versus the \$437 million the State actually received); 365,000 fewer Arizona residents could have been served with the available funding, a reduction of 71%. *More than half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Arizona's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, ARIZONA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Arizona would have lost \$170 or \$195 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Arizona would have lost \$370 or \$405 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Arizona absorbs about 19% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Arizona would absorb 57% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN ARIZONA:

During 1994, Arizona served 510,000 people through the Food Stamp Program -- about 13% of the State's population -- compared to 315,000 through AFDC.

- Among Arizona families receiving Food Stamps, one-quarter were working poor, nearly one-fifth were elderly or disabled, and about 70% contained children. Only one-third of the food stamp families in Arizona received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Arizona increased by 61% as the State and national economies worsened -- Arizona received \$2.6 billion in Federal funds for AFDC and Food Stamps; about 68% of that total was Food Stamp Program funding.

ARKANSAS: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Arkansas would have lost 39% of its actual Federal funding by 1994 (\$137 million versus the \$226 million the State actually received); 161,000 fewer Arkansas residents could have been served with the available funding, a reduction of 57%. *Almost half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Arkansas's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, ARKANSAS WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Arkansas would have lost \$30 or \$50 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Arkansas would have lost \$70 or \$95 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Arkansas absorbs about 10% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Arkansas would absorb 41% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN ARKANSAS:

During 1994, Arkansas served 285,000 people through the Food Stamp Program -- about 12% of the State's population -- compared to 110,000 through AFDC.

- Among Arkansas families receiving Food Stamps, about one-quarter were working poor, another 40% were elderly or disabled, and about 60% contained children. Less than 25% of the food stamp families in Arkansas received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Arkansas increased by 20% as the State and national economies worsened -- Arkansas received \$1.3 billion in Federal funds for AFDC and Food Stamps; about 79% of that total was Food Stamp Program funding.

CALIFORNIA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, California would have lost 70% of its actual Federal funding by 1994 (\$806 million versus the \$2.6 billion the State actually received); 2.4 million fewer California residents could have been served with the available funding, a reduction of 76%. *About two-thirds of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If California's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, CALIFORNIA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, California would have lost \$1.5 or \$1.9 billion (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, California would have lost \$3 or \$3.6 billion.
- A combined block grant shifts the costs of serving new cases to the State. Currently, California absorbs about 38% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, California would absorb 77% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN CALIFORNIA:

During 1994, California served 3.1 million people through the Food Stamp Program -- about 10% of the State's population -- compared to 4 million through AFDC.

- Among California families receiving Food Stamps, about 15% were working poor, another 2% were elderly or disabled, and about 85% contained children. About 60% of the food stamp families in California received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in California increased by 61% as the State and national economies worsened -- California received \$25 billion in Federal funds for AFDC and Food Stamps; about 37% of that total was Food Stamp Program funding.

COLORADO: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Colorado would have lost 44% of its actual Federal funding by 1994 (\$134 million versus the \$236 million the State actually received); 150,000 fewer Colorado residents could have been served with the available funding, a reduction of 56%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Colorado's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, COLORADO WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Colorado would have lost \$55 or \$80 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Colorado would have lost \$105 or \$145 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Colorado absorbs about 26% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Colorado would absorb 58% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN COLORADO:

During 1994, Colorado served 270,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 135,000 through AFDC.

- Among Colorado families receiving Food Stamps, about 30% were working poor, more than one-quarter were elderly or disabled, and about 60% contained children. Only one-third of the food stamp families in Colorado received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Colorado increased by 21% as the State and national economies worsened -- Colorado received \$1.6 billion in Federal funds for AFDC and Food Stamps; about 67% of that total was Food Stamp Program funding.

CONNECTICUT: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Connecticut would have lost 65% of its actual Federal funding by 1994 (\$59 million versus the \$169 million the State actually received); 163,000 fewer Connecticut residents could have been served with the available funding, a reduction of 73%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Connecticut's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, CONNECTICUT WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Connecticut would have lost \$110 or \$140 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Connecticut would have lost \$210 or \$245 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Connecticut absorbs about 40% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Connecticut would absorb 81% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN CONNECTICUT:

During 1994, Connecticut served 225,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 200,000 through AFDC.

- Among Connecticut families receiving Food Stamps, about 10% were working poor, about one-quarter were elderly or disabled, and about 60% contained children. More than one-half of the food stamp families in Connecticut received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Connecticut increased by 67% as the State and national economies worsened -- Connecticut received \$1.7 billion in Federal funds for AFDC and Food Stamps; about 40% of that total was Food Stamp Program funding.

D.C.: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, D.C. would have lost 58% of its actual Federal funding by 1994 (\$40 million versus the \$94 million the State actually received); 59,000 fewer D.C. residents could have been served with the available funding, a reduction of 65%. *More than half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If D.C.'s population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, D.C. WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, D.C. would have lost \$40 or \$45 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, D.C. would have lost \$80 or \$90 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, D.C. absorbs about 32% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, D.C. would absorb 64% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN D.C.:

During 1994, D.C. served 90,000 people through the Food Stamp Program -- about 16% of the District's population -- compared to 110,000 through AFDC.

- Among D.C. families receiving Food Stamps, about 5% were working poor, more than one-fifth were elderly or disabled, and about 60% contained children. More than one-half of the food stamp families in D.C. received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in D.C. increased by 46% as the State and national economies worsened -- D.C. received \$740 million in Federal funds for AFDC and Food Stamps; about 49% of that total was Food Stamp Program funding.

DELAWARE: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Delaware would have lost 61% of its actual Federal funding by 1994 (\$20 million versus the \$52 million the State actually received); 40,000 fewer Delaware residents could have been served with the available funding, a reduction of 68%. *More than half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Delaware's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, DELAWARE WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Delaware would have lost \$5 or \$15 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Delaware would have lost \$25 or \$40 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Delaware absorbs about 28% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Delaware would absorb 56% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN DELAWARE:

During 1994, Delaware served 60,000 people through the Food Stamp Program -- about 8% of the State's population -- compared to 40,000 through AFDC.

- Among Delaware families receiving Food Stamps, nearly one-quarter were working poor, about one-quarter were elderly or disabled, and about 65% contained children. Only 40% of the food stamp families in Delaware received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Delaware increased by 78% as the State and national economies worsened -- Delaware received \$320 million in Federal funds for AFDC and Food Stamps; about 65% of that total was Food Stamp Program funding.

FLORIDA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Florida would have lost 69% of its actual Federal funding by 1994 (\$439 million versus the \$1.4 billion the State actually received); 1.1 million fewer Florida residents could have been served with the available funding, a reduction of 76%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Florida's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, FLORIDA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Florida would have lost \$445 or \$535 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Florida would have lost \$1.2 or \$1.3 billion.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Florida absorbs about 24% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Florida would absorb 53% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN FLORIDA:

During 1994, Florida served 1.5 million people through the Food Stamp Program -- about 11% of the State's population -- compared to 940,000 through AFDC.

- Among Florida families receiving Food Stamps, about one-quarter were working poor, about one-third were elderly or disabled, and about 60% contained children. Only one-third of the food stamp families in Florida received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Florida increased by 89% as the State and national economies worsened -- Florida received \$7.8 billion in Federal funds for AFDC and Food Stamps; about 72% of that total was Food Stamp Program funding.

GEORGIA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Georgia would have lost 58% of its actual Federal funding by 1994 (\$310 million versus the \$744 million the State actually received); 575,000 fewer Georgia residents could have been served with the available funding, a reduction of 69%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Georgia's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, GEORGIA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Georgia would have lost \$165 or \$240 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Georgia would have lost \$445 or \$540 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Georgia absorbs about 19% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Georgia would absorb 50% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN GEORGIA:

During 1994, Georgia served 830,000 people through the Food Stamp Program -- about 12% of the State's population -- compared to 540,000 through AFDC.

- Among Georgia families receiving Food Stamps, one-fifth were working poor, about one-third were elderly or disabled, and almost two-thirds contained children. Only 40% of the food stamp families in Georgia received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Georgia increased by 55% as the State and national economies worsened -- Georgia received \$4.5 billion in Federal funds for AFDC and Food Stamps; about 68% of that total was Food Stamp Program funding.

HAWAII: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Hawaii would have lost 45% of its actual Federal funding by 1994 (\$90 million versus the \$163 million the State actually received); 63,000 fewer Hawaii residents could have been served with the available funding, a reduction of 55%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Hawaii's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, HAWAII WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Hawaii would have lost \$55 or \$65 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Hawaii would have lost \$105 or \$120 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Hawaii absorbs about 33% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Hawaii would absorb 65% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN HAWAII:

During 1994, Hawaii served 115,000 people through the Food Stamp Program -- about 10% of the State's population -- compared to 65,000 through AFDC.

- Among Hawaii families receiving Food Stamps, about 15% were working poor, about one-third were elderly or disabled, and half contained children. Only one-third of the food stamp families in Hawaii received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Hawaii increased by 49% as the State and national economies worsened -- Hawaii received \$985 million in Federal funds for AFDC and Food Stamps; about 62% of that total was Food Stamp Program funding.

IDAHO: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Idaho would have lost 33% of its actual Federal funding by 1994 (\$42 million versus the \$62 million the State actually received); 42,000 fewer Idaho residents could have been served with the available funding, a reduction of 52%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Idaho's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, IDAHO WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Idaho would have lost \$5 or \$20 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Idaho would have lost \$15 or \$30 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Idaho absorbs about 16% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Idaho would absorb 54% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN IDAHO:

During 1994, Idaho served 80,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 30,000 through AFDC.

- Among Idaho families receiving Food Stamps, over a third were working poor, more than one-quarter were elderly or disabled, and two-thirds contained children. Only one-quarter of the food stamp families in Idaho received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Idaho increased by 39% as the State and national economies worsened -- Idaho received \$390 million in Federal funds for AFDC and Food Stamps; about 69% of that total was Food Stamp Program funding.

ILLINOIS: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Illinois would have lost 31% of its actual Federal funding by 1994 (\$778 million versus the \$1.2 billion the State actually received); 520,000 fewer Illinois residents could have been served with the available funding, a reduction of 44%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Illinois' population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, ILLINOIS WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Illinois would have lost \$210 or \$290 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Illinois would have lost \$320 or \$410 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Illinois absorbs about 30% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Illinois would absorb 59% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN ILLINOIS:

During 1994, Illinois served 1.2 million people through the Food Stamp Program -- about 10% of the State's population -- compared to 935,000 through AFDC.

- Among Illinois families receiving Food Stamps, over 10% were working poor, almost 30% were elderly or disabled, and over half contained children. Only about 40% of the food stamp families in Illinois received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Illinois increased by 17% as the State and national economies worsened -- Illinois received \$7.7 billion in Federal funds for AFDC and Food Stamps; about 67% of that total was Food Stamp Program funding.

INDIANA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Indiana would have lost 51% of its actual Federal funding by 1994 (\$218 million versus the \$441 million the State actually received); 344,000 fewer Indiana residents could have been served with the available funding, a reduction of 67%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Indiana's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, INDIANA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Indiana would have lost \$120 or \$155 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Indiana would have lost \$275 or \$315 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Indiana absorbs about 19% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Indiana would absorb 51% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN INDIANA:

During 1994, Indiana served 520,000 people through the Food Stamp Program -- about 9% of the State's population -- compared to 280,000 through AFDC.

- Among Indiana families receiving Food Stamps, almost one-third were working poor, almost one quarter were elderly or disabled, and two-thirds contained children. Only 35% of the food stamp families in Indiana received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Indiana increased by 67% as the State and national economies worsened -- Indiana received \$2.6 billion in Federal funds for AFDC and Food Stamps; about 69% of that total was Food Stamp Program funding.

IOWA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Iowa would have lost 25% of its actual Federal funding by 1994 (\$115 million versus the \$153 million the State actually received); 83,000 fewer Iowa residents could have been served with the available funding, a reduction of 42%. *Almost half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Iowa's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, IOWA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Iowa would have lost \$35 or \$45 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Iowa would have lost \$50 or \$55 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Iowa absorbs about 24% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Iowa would absorb 64% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN IOWA:

During 1994, Iowa served 195,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 125,000 through AFDC.

- Among Iowa families receiving Food Stamps, over a quarter were working poor, more than one-quarter were elderly or disabled, and nearly two-thirds contained children. Only about 40% of the food stamp families in Iowa received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Iowa increased by 15% as the State and national economies worsened -- Iowa received \$1.3 billion in Federal funds for AFDC and Food Stamps; about 55% of that total was Food Stamp Program funding.

KANSAS: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Kansas would have lost 47% of its actual Federal funding by 1994 (\$82 million versus the \$153 million the State actually received); 114,000 fewer Kansas residents could have been served with the available funding, a reduction of 60%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Kansas's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, KANSAS WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Kansas would have lost \$60 million in Federal funding in 1994. But if Food Stamps were also block granted, Kansas would have lost \$105 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Kansas absorbs about 25% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Kansas would absorb 63% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN KANSAS:

During 1994, Kansas served 190,000 people through the Food Stamp Program -- about 8% of the State's population -- compared to 110,000 through AFDC.

- Among Kansas families receiving Food Stamps, one-fourth were working poor, almost 30% were elderly or disabled, and 60% contained children. Only about one-third of the food stamp families in Kansas received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Kansas increased by 34% as the State and national economies worsened -- Kansas received \$1.16 billion in Federal funds for AFDC and Food Stamps; about 61% of that total was Food Stamp Program funding.

KENTUCKY: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Kentucky would have lost 25% of its actual Federal funding by 1994 (\$331 million versus the \$443 million the State actually received); 229,000 fewer Kentucky residents could have been served with the available funding, a reduction of 44%. *About 40% of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Kentucky's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA; KENTUCKY WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Kentucky would have lost \$80 or \$130 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Kentucky would have lost \$105 or \$160 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Kentucky absorbs about 13% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Kentucky would absorb 43% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN KENTUCKY:

During 1994, Kentucky served 520,000 people through the Food Stamp Program -- about 14% of the State's population -- compared to 295,000 through AFDC.

- Among Kentucky families receiving Food Stamps, one-fourth were working poor, more than one-third were elderly or disabled, and 60% contained children. Only about one-third of the food stamp families in Kentucky received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Kentucky increased by 14% as the State and national economies worsened -- Kentucky received \$2.9 billion in Federal funds for AFDC and Food Stamps; about 71% of that total was Food Stamp Program funding.

LOUISIANA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Louisiana would have lost 29% of its actual Federal funding by 1994 (\$486 million versus the \$682 million the State actually received); 328,000 fewer Louisiana residents could have been served with the available funding, a reduction of 43%. *About 40% of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Louisiana's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, LOUISIANA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Louisiana would have lost \$75 or \$145 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Louisiana would have lost \$125 or \$195 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Louisiana absorbs about 10% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Louisiana would absorb 39% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN LOUISIANA:

During 1994, Louisiana served 755,000 people through the Food Stamp Program -- about 18% of the State's population -- compared to 380,000 through AFDC.

- Among Louisiana families receiving Food Stamps, almost 30% were working poor, about one-third were elderly or disabled, and nearly two-thirds contained children. Less than one-third of the food stamp families in Louisiana received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Louisiana increased by 4% as the State and national economies worsened -- Louisiana received \$4 billion in Federal funds for AFDC and Food Stamps; about 80% of that total was Food Stamp Program funding.

MAINE: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Maine would have lost 52% of its actual Federal funding by 1994 (\$56 million versus the \$116 million the State actually received); 89,000 fewer Maine residents could have been served with the available funding, a reduction of 65%. *About 40% of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Maine's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, MAINE WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Maine would have lost \$30 or \$35 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Maine would have lost \$70 or \$75 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Maine absorbs about 24% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Maine would absorb 64% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN MAINE:

During 1994, Maine served 135,000 people through the Food Stamp Program -- about 11% of the State's population -- compared to 80,000 through AFDC.

- Among Maine families receiving Food Stamps, one-fifth were working poor, almost one-third were elderly or disabled, and over half contained children. Only about one-third of the food stamp families in Maine received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Maine increased by 45% as the State and national economies worsened -- Maine received \$880 million in Federal funds for AFDC and Food Stamps; about 57% of that total was Food Stamp Program funding.

MARYLAND: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Maryland would have lost 50% of its actual Federal funding by 1994 (\$184 million versus the \$371 million the State actually received); 230,000 fewer Maryland residents could have been served with the available funding, a reduction of 59%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Maryland's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, MARYLAND WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Maryland would have lost \$125 or \$135 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Maryland would have lost \$245 or \$260 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Maryland absorbs about 29% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Maryland would absorb 58% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN MARYLAND:

During 1994, Maryland served 390,000 people through the Food Stamp Program -- about 8% of the State's population -- compared to 280,000 through AFDC.

- Among Maryland families receiving Food Stamps, over 10% were working poor, almost one-quarter were elderly or disabled, and over 60% contained children. Less than half of the food stamp families in Maryland received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Maryland increased by 53% as the State and national economies worsened -- Maryland received \$2.5 billion in Federal funds for AFDC and Food Stamps; about 61% of that total was Food Stamp Program funding.

MASSACHUSETTS: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Massachusetts would have lost 53% of its actual Federal funding by 1994 (\$167 million versus the \$356 million the State actually received); 259,000 fewer Massachusetts residents could have been served with the available funding, a reduction of 59%. *Almost half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Massachusetts' population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, MASSACHUSETTS WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Massachusetts would have lost \$145 or \$215 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Massachusetts would have lost \$285 or \$370 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Massachusetts absorbs about 38% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Massachusetts would absorb 75% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN MASSACHUSETTS:

During 1994, Massachusetts served 440,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 360,000 through AFDC.

- Among Massachusetts families receiving Food Stamps, more than 10% were working poor, about one-quarter were elderly or disabled, and almost two-thirds contained children. About half of the food stamp families in Massachusetts received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Massachusetts increased by 27% as the State and national economies worsened -- Massachusetts received \$3.6 billion in Federal funds for AFDC and Food Stamps; about 42% of that total was Food Stamp Program funding.

MICHIGAN: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Michigan would have lost 39% of its actual Federal funding by 1994 (\$543 million versus the \$894 million the State actually received); 503,000 fewer Michigan residents could have been served with the available funding, a reduction of 49%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Michigan's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, MICHIGAN WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Michigan would have lost \$135 or \$295 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Michigan would have lost \$295 or \$490 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Michigan absorbs about 29% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Michigan would absorb 67% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN MICHIGAN:

During 1994, Michigan served 1 million people through the Food Stamp Program -- about 11% of the State's population -- compared to 760,000 through AFDC.

- Among Michigan families receiving Food Stamps, almost 20% were working poor, more than 20% were elderly or disabled, and 60% contained children. One-half of the food stamp families in Michigan received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Michigan increased by 12% as the State and national economies worsened -- Michigan received \$8 billion in Federal funds for AFDC and Food Stamps; about 53% of that total was Food Stamp Program funding.

MINNESOTA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Minnesota would have lost 48% of its actual Federal funding by 1994 (\$133 million versus the \$257 million the State actually received); 185,000 fewer Minnesota residents could have been served with the available funding, a reduction of 58%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Minnesota's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, MINNESOTA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Minnesota would have lost \$90 or \$100 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Minnesota would have lost \$170 or \$185 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Minnesota absorbs about 33% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Minnesota would absorb 72% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN MINNESOTA:

During 1994, Minnesota served 320,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 220,000 through AFDC.

- Among Minnesota families receiving Food Stamps, almost 20% were working poor, more than one-quarter were elderly or disabled, and almost two-thirds contained children. One-half of the food stamp families in Minnesota received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Minnesota increased by 21% as the State and national economies worsened -- Minnesota received \$2.4 billion in Federal funds for AFDC and Food Stamps; about 49% of that total was Food Stamp Program funding.

MISSISSIPPI: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Mississippi would have lost 23% of its actual Federal funding by 1994 (\$320 million versus the \$417 million the State actually received); 207,000 fewer Mississippi residents could have been served with the available funding, a reduction of 41%. *About 40% of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Mississippi's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, MISSISSIPPI WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Mississippi would have lost \$45 or \$85 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Mississippi would have lost \$55 or \$95 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Mississippi absorbs about 6% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Mississippi would absorb 29% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN MISSISSIPPI:

During 1994, Mississippi served 510,000 people through the Food Stamp Program -- about 19% of the State's population -- compared to 250,000 through AFDC.

- Among Mississippi families receiving Food Stamps, 30% were working poor, more than 40% were elderly or disabled, and about 60% contained children. Only about one-quarter of the food stamp families in Mississippi received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Mississippi increased by 2% as the State and national economies worsened -- Mississippi received \$2.4 billion in Federal funds for AFDC and Food Stamps; about 83% of that total was Food Stamp Program funding.

MISSOURI: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Missouri would have lost 50% of its actual Federal funding by 1994 (\$255 million versus the \$509 million the State actually received); 375,000 fewer Missouri residents could have been served with the available funding, a reduction of 63%. *Almost half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Missouri's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, MISSOURI WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Missouri would have lost \$100 or \$155 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Missouri would have lost \$250 or \$315 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Missouri absorbs about 20% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Missouri would absorb 51% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN MISSOURI:

During 1994, Missouri served 595,000 people through the Food Stamp Program -- about 11% of the State's population -- compared to 350,000 through AFDC.

- Among Missouri families receiving Food Stamps, almost one-quarter were working poor, nearly 30% were elderly or disabled, and nearly 60% contained children. Only one-third of the food stamp families in Missouri received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Missouri increased by 37% as the State and national economies worsened -- Missouri received \$3.1 billion in Federal funds for AFDC and Food Stamps; about 70% of that total was Food Stamp Program funding.

MONTANA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Montana would have lost 36% of its actual Federal funding by 1994 (\$40 million versus the \$62 million the State actually received); 36,000 fewer Montana residents could have been served with the available funding, a reduction of 50%. *About 40% of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Montana's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, MONTANA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Montana would have gained \$5 million or lost \$20 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Montana would have lost \$5 or \$35 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Montana absorbs about 18% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Montana would absorb 63% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN MONTANA:

During 1994, Montana served 70,000 people through the Food Stamp Program -- about 8% of the State's population -- compared to 40,000 through AFDC.

- Among Montana families receiving Food Stamps, almost one-third were working poor, over one-fourth were elderly or disabled, and almost 60% contained children. About one-third of the food stamp families in Montana received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Montana increased by 26% as the State and national economies worsened -- Montana received \$460 million in Federal funds for AFDC and Food Stamps; about 59% of that total was Food Stamp Program funding.

NEBRASKA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Nebraska would have lost 35% of its actual Federal funding by 1994 (\$55 million versus the \$85 million the State actually received); 58,000 fewer Nebraska residents could have been served with the available funding, a reduction of 52%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Nebraska's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, NEBRASKA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Nebraska would have lost \$2 or \$25 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Nebraska would have lost \$15 or \$40 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Nebraska absorbs about 22% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Nebraska would absorb 59% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN NEBRASKA:

During 1994, Nebraska served 110,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 55,000 through AFDC.

- Among Nebraska families receiving Food Stamps, more than one-third were working poor, 30% were elderly or disabled, and more than 60% contained children. Less than one-third of the food stamp families in Nebraska received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Nebraska increased by 17% as the State and national economies worsened -- Nebraska received \$615 million in Federal funds for AFDC and Food Stamps; about 62% of that total was Food Stamp Program funding.

NEVADA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Nevada would have lost 69% of its actual Federal funding by 1994 (\$29 million versus the \$94 million the State actually received); 75,000 fewer Nevada residents could have been served with the available funding, a reduction of 78%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Nevada's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, NEVADA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Nevada would have lost \$25 or \$35 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Nevada would have lost \$70 or \$85 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Nevada absorbs about 28% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Nevada would absorb 57% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN NEVADA:

During 1994, Nevada served 95,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 40,000 through AFDC.

- Among Nevada families receiving Food Stamps, almost one-quarter were working poor, about one-quarter were elderly or disabled, and more than 60% contained children. Less than 20% of the food stamp families in Nevada received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Nevada increased by 94% as the State and national economies worsened -- Nevada received \$495 million in Federal funds for AFDC and Food Stamps; about 74% of that total was Food Stamp Program funding.

NEW HAMPSHIRE: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, New Hampshire would have lost 75% of its actual Federal funding by 1994 (\$12 million versus the \$48 million the State actually received); 53,000 fewer New Hampshire residents could have been served with the available funding, a reduction of 86%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If New Hampshire's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, NEW HAMPSHIRE WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, New Hampshire would have lost \$20 or \$30 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, New Hampshire would have lost \$45 or \$60 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, New Hampshire absorbs about 37% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, New Hampshire would absorb 73% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN NEW HAMPSHIRE:

During 1994, New Hampshire served 60,000 people through the Food Stamp Program -- about 5% of the State's population -- compared to 35,000 through AFDC.

- Among New Hampshire families receiving Food Stamps, almost one-quarter were working poor, about one-quarter were elderly or disabled, and almost 60% contained children. Only about one-third of the food stamp families in New Hampshire received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in New Hampshire increased by 24% as the State and national economies worsened -- New Hampshire received \$345 million in Federal funds for AFDC and Food Stamps; about 58% of that total was Food Stamp Program funding.

NEW JERSEY: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, New Jersey would have lost 52% of its actual Federal funding by 1994 (\$261 million versus the \$539 million the State actually received); 324,000 fewer New Jersey residents could have been served with the available funding, a reduction of 60%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If New Jersey's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, NEW JERSEY WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, New Jersey would have lost \$160 or \$210 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, New Jersey would have lost \$340 or \$400 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, New Jersey absorbs about 20% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, New Jersey would absorb 40% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN NEW JERSEY:

During 1994, New Jersey served 545,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 370,000 through AFDC.

- Among New Jersey families receiving Food Stamps, about 10% were working poor, more than one fourth were elderly or disabled, and 60% contained children. About half of the food stamp families in New Jersey received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in New Jersey increased by 43% as the State and national economies worsened -- New Jersey received \$4 billion in Federal funds for AFDC and Food Stamps; about 55% of that total was Food Stamp Program funding.

NEW MEXICO: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, New Mexico would have lost 49% of its actual Federal funding by 1994 (\$106 million versus the \$208 million the State actually received); 153,000 fewer New Mexico residents could have been served with the available funding, a reduction of 63%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If New Mexico's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, NEW MEXICO WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, New Mexico would have lost \$80 or \$100 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, New Mexico would have lost \$150 or \$175 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, New Mexico absorbs about 16% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, New Mexico would absorb 60% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN NEW MEXICO:

During 1994, New Mexico served 245,000 people through the Food Stamp Program -- about 15% of the State's population -- compared to 105,000 through AFDC.

- Among New Mexico families receiving Food Stamps, almost one-third were working poor, about one-quarter were elderly or disabled, and 70% contained children. Only one-third of the food stamp families in New Mexico received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in New Mexico increased by 55% as the State and national economies worsened -- New Mexico received \$1.3 billion in Federal funds for AFDC and Food Stamps; about 67% of that total was Food Stamp Program funding.

NEW YORK: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, New York would have lost 50% of its actual Federal funding by 1994 (\$1 billion versus the \$2.1 billion the State actually received); 1.2 million fewer New York residents could have been served with the available funding, a reduction of 57%. *About 40% of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If New York's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, NEW YORK WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, New York would have lost \$1.2 or \$1.4 billion (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, New York would have lost \$1.9 or \$2.2 billion.
- A combined block grant shifts the costs of serving new cases to the State. Currently, New York absorbs about 37% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, New York would absorb 74% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN NEW YORK:

During 1994, New York served 2.2 million people through the Food Stamp Program -- about 12% of the State's population -- compared to 1.5 million through AFDC.

- Among New York families receiving Food Stamps, almost 10% were working poor, nearly one-third were elderly or disabled, and one-half contained children. Less than 40% of the food stamp families in New York received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in New York increased by 39% as the State and national economies worsened -- New York received \$17.4 billion in Federal funds for AFDC and Food Stamps; about 47% of that total was Food Stamp Program funding.

NORTH CAROLINA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, North Carolina would have lost 54% of its actual Federal funding by 1994 (\$241 million versus the \$524 million the State actually received); 431,000 fewer North Carolina residents could have been served with the available funding, a reduction of 69%. *Almost half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If North Carolina's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, NORTH CAROLINA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990; North Carolina would have lost \$135 or \$195 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, North Carolina would have lost \$315 or \$390 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, North Carolina absorbs about 17% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, North Carolina would absorb 49% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN NORTH CAROLINA:

During 1994, North Carolina served 630,000 people through the Food Stamp Program -- about 9% of the State's population -- compared to 500,000 through AFDC.

- Among North Carolina families receiving Food Stamps, about one-quarter were working poor, more than one-third were elderly or disabled, and 60% contained children. Less than 40% of the food stamp families in North Carolina received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in North Carolina increased by 50% as the State and national economies worsened -- North Carolina received \$3.5 billion in Federal funds for AFDC and Food Stamps; about 64% of that total was Food Stamp Program funding.

NORTH DAKOTA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, North Dakota would have lost 41% of its actual Federal funding by 1994 (\$22 million versus the \$38 million the State actually received); 26,000 fewer North Dakota residents could have been served with the available funding, a reduction of 56%. *About 40% of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If North Dakota's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, NORTH DAKOTA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, North Dakota would have gained \$1 million or lost \$15 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, North Dakota would have lost \$5 or \$20 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, North Dakota absorbs about 19% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, North Dakota would absorb 65% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN NORTH DAKOTA:

During 1994, North Dakota served 45,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 20,000 through AFDC.

- Among North Dakota families receiving Food Stamps, almost 40% were working poor, nearly 30% were elderly or disabled, and more than 60% contained children. Only one-quarter of the food stamp families in North Dakota received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in North Dakota increased by 16% as the State and national economies worsened -- North Dakota received \$280 million in Federal funds for AFDC and Food Stamps; about 61% of that total was Food Stamp Program funding.

OHIO: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Ohio would have lost 33% of its actual Federal funding by 1994 (\$769 million versus the \$1.2 billion the State actually received); 603,000 fewer Ohio residents could have been served with the available funding, a reduction of 48%. *About 40% of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Ohio's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, OHIO WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Ohio would have lost \$350 or \$370 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Ohio would have lost \$525 or \$550 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Ohio absorbs about 21% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Ohio would absorb 54% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN OHIO:

During 1994, Ohio served 1.2 million people through the Food Stamp Program -- about 11% of the State's population -- compared to 900,000 through AFDC.

- Among Ohio families receiving Food Stamps, about one-fifth were working poor, 30% were elderly or disabled, and more than one-half contained children. Only about 40% of the food stamp families in Ohio received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Ohio increased by 14% as the State and national economies worsened -- Ohio received \$8.6 billion in Federal funds for AFDC and Food Stamps; about 62% of that total was Food Stamp Program funding.

OKLAHOMA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Oklahoma would have lost 44% of its actual Federal funding by 1994 (\$181 million versus the \$324 million the State actually received); 223,000 fewer Oklahoma residents could have been served with the available funding, a reduction of 59%. *Almost half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Oklahoma's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, OKLAHOMA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Oklahoma would have lost \$65 or \$100 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Oklahoma would have lost \$140 or \$185 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Oklahoma absorbs about 16% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Oklahoma would absorb 55% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN OKLAHOMA:

During 1994, Oklahoma served 375,000 people through the Food Stamp Program -- about 12% of the State's population -- compared to 170,000 through AFDC.

- Among Oklahoma families receiving Food Stamps, almost one-quarter were working poor, almost one-third were elderly or disabled, and nearly 60% contained children. Less than one-third of the food stamp families in Oklahoma received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Oklahoma increased by 41% as the State and national economies worsened -- Oklahoma received \$2 billion in Federal funds for AFDC and Food Stamps; about 66% of that total was Food Stamp Program funding.

OREGON: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Oregon would have lost 41% of its actual Federal funding by 1994 (\$154 million versus the \$259 million the State actually received); 162,000 fewer Oregon residents could have been served with the available funding, a reduction of 57%. *Almost half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Oregon's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, OREGON WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Oregon would have lost \$95 or \$100 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Oregon would have lost \$155 or \$160 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Oregon absorbs about 24% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Oregon would absorb 64% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN OREGON:

During 1994, Oregon served 285,000 people through the Food Stamp Program -- about 9% of the State's population -- compared to 160,000 through AFDC.

- Among Oregon families receiving Food Stamps, more than one-quarter were working poor, about one-quarter were elderly or disabled, and more than one-half contained children. Less than one-third of the food stamp families in Oregon received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Oregon increased by 32% as the State and national economies worsened -- Oregon received \$1.8 billion in Federal funds for AFDC and Food Stamps; about 61% of that total was Food Stamp Program funding.

PENNSYLVANIA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Pennsylvania would have lost 45% of its actual Federal funding by 1994 (\$596 million versus the \$1.1 billion the State actually received); 686,000 fewer Pennsylvania residents could have been served with the available funding, a reduction of 57%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Pennsylvania's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, PENNSYLVANIA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Pennsylvania would have lost \$285 or \$335 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Pennsylvania would have lost \$560 or \$625 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Pennsylvania absorbs about 29% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Pennsylvania would absorb 64% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN PENNSYLVANIA:

During 1994, Pennsylvania served 1.2 million people through the Food Stamp Program -- about 10% of the State's population -- compared to 715,000 through AFDC.

- Among Pennsylvania families receiving Food Stamps, almost 15% were working poor, one-quarter were elderly or disabled, and more than one-half contained children. About one-third of the food stamp families in Pennsylvania received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Pennsylvania increased by 27% as the State and national economies worsened -- Pennsylvania received \$7.5 billion in Federal funds for AFDC and Food Stamps; about 62% of that total was Food Stamp Program funding.

RHODE ISLAND: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Rhode Island would have lost 56% of its actual Federal funding by 1994 (\$36 million versus the \$82 million the State actually received); 60,000 fewer Rhode Island residents could have been served with the available funding, a reduction of 64%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Rhode Island's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, RHODE ISLAND WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Rhode Island would have lost \$35 or \$40 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Rhode Island would have lost \$65 or \$80 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Rhode Island absorbs about 32% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Rhode Island would absorb 70% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN RHODE ISLAND:

During 1994, Rhode Island served 95,000 people through the Food Stamp Program -- about 9% of the State's population -- compared to 70,000 through AFDC.

- Among Rhode Island families receiving Food Stamps, less than 10% were working poor, one-quarter were elderly or disabled, and almost two-thirds contained children. Less than one-half of the food stamp families in Rhode Island received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Rhode Island increased by 46% as the State and national economies worsened -- Rhode Island received \$700 million in Federal funds for AFDC and Food Stamps; about 48% of that total was Food Stamp Program funding.

SOUTH CAROLINA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, South Carolina would have lost 43% of its actual Federal funding by 1994 (\$182 million versus the \$321 million the State actually received); 237,000 fewer South Carolina residents could have been served with the available funding, a reduction of 61%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If South Carolina's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, SOUTH CAROLINA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, South Carolina would have lost \$40 or \$75 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, South Carolina would have lost \$120 or \$160 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, South Carolina absorbs about 12% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, South Carolina would absorb 40% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN SOUTH CAROLINA:

During 1994, South Carolina served 385,000 people through the Food Stamp Program – about 11% of the State's population – compared to 215,000 through AFDC.

- Among South Carolina families receiving Food Stamps, more than one-quarter were working poor, one-third were elderly or disabled, and almost two-thirds contained children. Less than one-third of the food stamp families in South Carolina received AFDC.
- Between 1990 and 1994 – a time when Food Stamp participation in South Carolina increased by 29% as the State and national economies worsened – South Carolina received \$1.9 billion in Federal funds for AFDC and Food Stamps; about 75% of that total was Food Stamp Program funding.

SOUTH DAKOTA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, South Dakota would have lost 25% of its actual Federal funding by 1994 (\$34 million versus the \$45 million the State actually received); 21,000 fewer South Dakota residents could have been served with the available funding, a reduction of 39%. *Almost half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If South Dakota's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, SOUTH DAKOTA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, South Dakota would have gained \$4 million or lost \$10 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, South Dakota would have gained \$2 million or lost \$15 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, South Dakota absorbs about 20% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, South Dakota would absorb 65% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN SOUTH DAKOTA:

During 1994, South Dakota served 55,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 25,000 through AFDC.

- Among South Dakota families receiving Food Stamps, more than 40% were working poor, more than one-quarter were elderly or disabled, and two-thirds contained children. Less than 30% of the food stamp families in South Dakota received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in South Dakota increased by 58% as the State and national economies worsened -- South Dakota received \$315 million in Federal funds for AFDC and Food Stamps; about 68% of that total was Food Stamp Program funding.

TENNESSEE: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Tennessee would have lost 50% of its actual Federal funding by 1994 (\$315 million versus the \$627 million the State actually received); 473,000 fewer Tennessee residents could have been served with the available funding, a reduction of 64%. *About 40% of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Tennessee's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, TENNESSEE WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Tennessee would have lost \$140 or \$180 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Tennessee would have lost \$320 or \$375 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Tennessee absorbs about 13% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Tennessee would absorb 39% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN TENNESSEE:

During 1994, Tennessee served 735,000 people through the Food Stamp Program -- about 14% of the State's population -- compared to 410,000 through AFDC.

- Among Tennessee families receiving Food Stamps, more than one-quarter were working poor, about one-third were elderly or disabled, and about 60% contained children. Only about one-fourth of the food stamp families in Tennessee received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Tennessee increased by 39% as the State and national economies worsened -- Tennessee received \$3.5 billion in Federal funds for AFDC and Food Stamps; about 76% of that total was Food Stamp Program funding.

TEXAS: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Texas would have lost 57% of its actual Federal funding by 1994 (\$1.1 billion versus the \$2.5 billion the State actually received); 1.8 million fewer Texas residents could have been served with the available funding, a reduction of 68%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Texas's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, TEXAS WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Texas would have lost \$670 million or \$580 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Texas would have lost \$1.5 billion or \$1.6 billion.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Texas absorbs about 14% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Texas would absorb 39% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN TEXAS:

During 1994, Texas served 2.7 million people through the Food Stamp Program -- about 15% of the State's population -- compared to 1.1 million through AFDC.

- Among Texas families receiving Food Stamps, one-third were working poor, more than 20% were elderly or disabled, and two-thirds contained children. Only one-fourth of the food stamp families in Texas received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Texas increased by 45% as the State and national economies worsened -- Texas received \$12.2 billion in Federal funds for AFDC and Food Stamps; about 84% of that total was Food Stamp Program funding.

UTAH: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Utah would have lost 41% of its actual Federal funding by 1994 (\$61 million versus the \$103 million the State actually received); 72,000 fewer Utah residents could have been served with the available funding, a reduction of 56%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Utah's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, UTAH WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Utah would have lost \$20 million or \$35 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Utah would have lost \$40 million or \$55 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Utah absorbs about 16% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Utah would absorb 63% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN UTAH:

During 1994, Utah served 130,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 60,000 through AFDC.

- Among Utah families receiving Food Stamps, almost one-third were working poor, more than 20% were elderly or disabled, and two-thirds contained children. Only about one-third of the food stamp families in Utah received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Utah increased by 28% as the State and national economies worsened -- Utah received \$800 million in Federal funds for AFDC and Food Stamps; about 59% of that total was Food Stamp Program funding.

VERMONT: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Vermont would have lost 60% of its actual Federal funding by 1994 (\$20 million versus the \$48 million the State actually received); 46,000 fewer Vermont residents could have been served with the available funding, a reduction of 72%. *About 40% of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Vermont's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, VERMONT WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Vermont would have gained \$10 million or lost \$20 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Vermont would have lost \$10 million or \$40 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Vermont absorbs about 32% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Vermont would absorb 79% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN VERMONT:

During 1994, Vermont served 65,000 people through the Food Stamp Program -- about 11% of the State's population -- compared to 35,000 through AFDC.

- Among Vermont families receiving Food Stamps, more than 20% were working poor, more than one-third were elderly or disabled, and more than half contained children. Only one-third of the food stamp families in Vermont received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Vermont increased by 68% as the State and national economies worsened -- Vermont received \$390 million in Federal funds for AFDC and Food Stamps; about 48% of that total was Food Stamp Program funding.

VIRGINIA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Virginia would have lost 56% of its actual Federal funding by 1994 (\$217 million versus the \$489 million the State actually received); 375,000 fewer Virginia residents could have been served with the available funding, a reduction of 69%. *Almost half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Virginia's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, VIRGINIA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Virginia would have lost \$90 million or \$135 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Virginia would have lost \$255 million or \$310 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Virginia absorbs about 29% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Virginia would absorb 58% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN VIRGINIA:

During 1994, Virginia served 545,000 people through the Food Stamp Program -- about 8% of the State's population -- compared to 290,000 through AFDC.

- Among Virginia families receiving Food Stamps, more than a quarter were working poor, nearly 30% were elderly or disabled, and almost 60% contained children. Only a quarter of the food stamp families in Virginia received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Virginia increased by 58% as the State and national economies worsened -- Virginia received \$2.7 billion in Federal funds for AFDC and Food Stamps; about 75% of that total was Food Stamp Program funding.

WASHINGTON: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Washington would have lost 54% of its actual Federal funding by 1994 (\$195 million versus the \$421 million the State actually received); 284,000 fewer Washington residents could have been served with the available funding, a reduction of 61%. *Almost half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Washington's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, WASHINGTON WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Washington would have lost \$195 or \$230 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Washington would have lost \$365 or \$410 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Washington absorbs about 32% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Washington would absorb 71% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN WASHINGTON:

During 1994, Washington served 470,000 people through the Food Stamp Program -- about 9% of the State's population -- compared to 390,000 through AFDC.

- Among Washington families receiving Food Stamps, slightly more than 15% were working poor, almost one-fourth were elderly or disabled, and more than 60% contained children. Less than one-half of the food stamp families in Washington received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Washington increased by 37% as the State and national economies worsened -- Washington received \$3.4 billion in Federal funds for AFDC and Food Stamps; about 50% of that total was Food Stamp Program funding.

WEST VIRGINIA: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, West Virginia would have lost 36% of its actual Federal funding by 1994 (\$170 million versus the \$268 million the State actually received); 149,000 fewer West Virginia residents could have been served with the available funding, a reduction of 46%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If West Virginia's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, WEST VIRGINIA WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, West Virginia would have lost \$35 or \$70 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, West Virginia would have lost \$75 or \$115 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, West Virginia absorbs about 11% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, West Virginia would absorb 47% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN WEST VIRGINIA:

During 1994, West Virginia served 320,000 people through the Food Stamp Program -- about 18% of the State's population -- compared to 145,000 through AFDC.

- Among West Virginia families receiving Food Stamps, more than 10% were working poor, almost one-quarter were elderly or disabled, and almost 90% contained children. Almost 80% of the food stamp families in West Virginia received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in West Virginia increased by 23% as the State and national economies worsened -- West Virginia received \$1.7 billion in Federal funds for AFDC and Food Stamps; about 71% of that total was Food Stamp Program funding.

WISCONSIN: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Wisconsin would have lost 32% of its actual Federal funding by 1994 (\$172 million versus the \$252 million the State actually received); 155,000 fewer Wisconsin residents could have been served with the available funding, a reduction of 47%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Wisconsin's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, WISCONSIN WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Wisconsin would have lost \$30 or \$105 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Wisconsin would have lost \$55 or \$150 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Wisconsin absorbs about 28% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Wisconsin would absorb 71% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN WISCONSIN:

During 1994, Wisconsin served 330,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 295,000 through AFDC.

- Among Wisconsin families receiving Food Stamps, 20% were working poor, almost one-third were elderly or disabled, and almost two-thirds contained children. About one-half of the food stamp families in Wisconsin received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Wisconsin increased by 15% as the State and national economies worsened -- Wisconsin received \$2.6 billion in Federal funds for AFDC and Food Stamps; about 44% of that total was Food Stamp Program funding.

WYOMING: EFFECTS OF BLOCK-GRANTING FOOD STAMPS

If the Food Stamp Program had been converted to a block grant in 1990, Wyoming would have lost 34% of its actual Federal funding by 1994 (\$20 million versus the \$30 million the State actually received); 17,000 fewer Wyoming residents could have been served with the available funding, a reduction of 50%. *About half of those losing eligibility would have been children.*

- Unlike the current Food Stamp Program, a block grant cannot automatically respond to changes in population or economic conditions. If Wyoming's population grows or its economy worsens, as occurred between 1990 and 1994, the State would have to either reduce benefits to needy families or spend State revenues on food assistance.

OVERALL EFFECTS OF A FOOD STAMP BLOCK GRANT:

- A Food Stamp block grant would eliminate the national nutritional safety net.
- A Food Stamp block grant would eliminate the program's economic responsiveness.
- A Food Stamp block grant would eliminate national eligibility and benefit standards.
- A Food Stamp block grant would ultimately mean less money available to support food purchases and farm income.

IF AFDC IS BLOCK-GRANTED, REGARDLESS OF FUNDING FORMULA, WYOMING WOULD BE WORSE OFF UNDER A FOOD STAMP BLOCK GRANT THAN UNDER THE CURRENT PROGRAM STRUCTURE:

- If the current Food Stamp Program structure had been maintained, and AFDC block-granted, in 1990, Wyoming would have lost \$1 or \$10 million (depending on the AFDC funding formula used) in Federal funding in 1994. But if Food Stamps were also block granted, Wyoming would have lost \$5 or \$15 million.
- A combined block grant shifts the costs of serving new cases to the State. Currently, Wyoming absorbs about 20% of the cost for each new AFDC/Food Stamp case. If AFDC is block-granted but the Food Stamp Program is kept as-is, Wyoming would absorb 58% of the cost; if both programs are block-granted the State would bear 100% of the additional cost.

CURRENT FOOD STAMP PROGRAM STATISTICS IN WYOMING:

During 1994, Wyoming served 35,000 people through the Food Stamp Program -- about 7% of the State's population -- compared to 20,000 through AFDC.

- Among Wyoming families receiving Food Stamps, more than one-third were working poor, 20% were elderly or disabled, and more than two-thirds contained children. Less than one-half of the food stamp families in Wyoming received AFDC.
- Between 1990 and 1994 -- a time when Food Stamp participation in Wyoming increased by 20% as the State and national economies worsened -- Wyoming received \$235 million in Federal funds for AFDC and Food Stamps; about 57% of that total was Food Stamp Program funding.