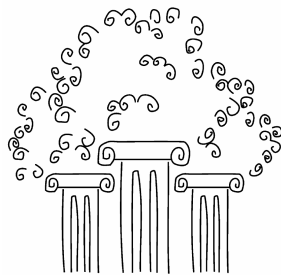


Food Programs for Nebraska: Feeding Children, Seniors, and Hardworking Families



**Released June 7, 2005
National Hunger Awareness Day**



NEBRASKA
Appleseed

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7 June 2005

Dear Colleague,

Nebraska Appleseed Center for Law in the Public Interest is pleased to share with you the enclosed report, *Food Programs for Nebraska*, which details Nebraska's efforts to make sure that our children, seniors, and hardworking Nebraska families have enough to eat.

Nebraska's food assistance programs feed our seniors, the disabled, and our children every day of the year. These food assistance programs also help our hardworking Nebraska families who are working their way to self-sufficiency.

While the State of Nebraska brings in over \$200 million federal dollars in food programs annually to feed our children, seniors, and hardworking families, we continue to leave a significant amount of dollars unclaimed, essentially walking away from feeding more Nebraskans and bringing more federal dollars into our local economies. In addition, this report details the fact that, in some food programs, the State of Nebraska continues to earn an extremely low rating – a rating unacceptable for the children these programs serve – even though we also play a vital role in the food security efforts of the rest of the country from our significant agricultural production.

Now is a critical time for policy decision-making in Congress. The federal budget appropriations process is currently underway, and the funding decisions for our food assistance programs may very well leave thousands of Nebraska's children and families without the support they need to put food on their tables and become truly self-sufficient.

This report is being distributed to a wide variety of community members, social service agencies, educators, researchers, and policy makers within Nebraska. We hope that the information contained herein will be instrumental in shaping future community and public policy solutions aimed at eradicating hunger in Nebraska, feeding our children and seniors and helping Nebraska families become self-sufficient. Our children, our seniors, and our hardworking families cannot wait. The time to act is now.

Please note that all opinions, omissions, and/or errors that may be in this report are solely those of the author. If we can provide comments or answer questions, please do contact us by phone (402) 438-8853 or email. We look forward to hearing from you.

Sincerely,

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Introduction

For decades, the State of Nebraska has played a vital role in feeding our great nation. In fact, our agricultural industry produces hundreds of billions of pounds of high-quality and nutritious food for the nation and the world every year. Nebraska has 55,000 farms and ranches that produce enough food to feed 7,095,000 people annually.¹ Yet, in a state that provides so much food for our fellow Americans, a staggering number of Nebraskans have trouble putting food on the table for their families.

Currently, 180,000 Nebraskans suffer from food insecurity and do not know where their next meal will come from.² 76,000 of them are children.³ That's enough food insecure children to fill Memorial Stadium every day! Yet, Nebraskans work hard. Nebraska is ranked number 5 out of the 50 states in terms of people employed.⁴ For such hardworking Nebraskans, food insecurity is a harsh and cruel reality. On some level, every person in this country still believes that people who work hard shouldn't be poor. But today there are tens of thousands of hardworking Nebraskans who struggle to feed their families.

One Nebraska resident rightly reflected, "with as much food as we produce here, we ought to be able to feed everybody." He is right. The issue facing Nebraska is not that we do not have enough food. The issue facing Nebraska is whether or not we will allow hardworking Nebraskans to face hunger on their own, in spite of their contribution to our economy. Will we shape our policies to allow them to transition to true self-sufficiency?

Background

Food Security

As defined by the United States Department of Agriculture (USDA), food security for a household means access by all members at all times to enough food for an active, healthy lifestyle. Food security includes at a minimum (1) the ready availability of nutritionally adequate and safe foods, and (2) an assured ability to acquire acceptable foods in socially acceptable ways (that is, without resorting to emergency food supplies, scavenging, stealing, or other coping strategies).

The Economic Research Service (ERS) of the USDA develops national measurements of food security from a survey that asks households a series of questions about behaviors and experiences that characterize difficulty in meeting food needs. ERS also examines annual changes in food security, food insecurity, and hunger, measures the differences in the prevalence of food insecurity and hunger among states and between metropolitan and non-metropolitan areas, and develops methods of assessing community food security. ERS data and methods provide the backbone for assessing and addressing food security in Nebraska.

Food Insecurity

Also defined by USDA, food insecurity is limited or uncertain availability of nutritionally adequate and safe foods or limited or uncertain ability to acquire acceptable foods in socially acceptable ways.

¹ Nebraska AgRelations Council Brochure. www.nol.org/home/NARC/info.htm#agstory.

² Food Research and Action Center. *State of the States: 2005*. www.frac.org.

³ Center on Hunger and Poverty. www.centeronhunger.org/pdf/statedata98-00.pdf.

⁴ Institute on Assets and Social Policy. www.assetinstitute.org/pdfs/state/ne.pdf.

Hunger

The physiological phenomenon of hunger is defined as an uneasy or painful sensation caused by a lack of food. As measured and described in the U.S. food security measurement project of the ERS, “hunger” is involuntary hunger that results from not being able to afford enough food. People are not counted as “hungry” if they were hungry only because they were dieting to lose weight, fasting for religious reasons, or just too busy to eat.

Self-Sufficiency

The concept of self-sufficiency is particularly important when it comes to discussing food and nutrition. Food is the most elastic part of the budget, meaning that when families are on very limited budgets, they are often forced to pay fixed expenses first. They pay the utilities, phone, childcare, and medical bills, buy gas or bus passes, and pay their rent. Whatever is left over, they take to the grocery store. Thousands of Nebraska families with low earnings pay these fixed expenses and have little or nothing left with which to purchase food. These families join a growing number of families who are unable to stretch their wages to meet the costs of basic needs. Even though many of these families are not poor according to the official poverty measure, their incomes are inadequate. But what is adequate income – and how does this vary among different family types and places? **The Self-Sufficiency Standard for Nebraska measures how much income is needed for a family of a given composition in a given place to adequately meet its basic needs – without public or private assistance.** (To view the Self-Sufficiency Standard for Nebraska, visit the publications section at www.neappleseed.org/news.)

	2 adults, 1 preschooler, 1 school age child in Douglas Co, NE	2 adults, 1 preschooler, 1 school age child in Hall Co, NE	1 adult, 1 infant, 1 preschooler, 1 school age in Douglas Co, NE	1 adult, 1 infant, 1 preschooler, 1 school age in Hall Co, NE
Federal Poverty Line	\$ 19,350	\$ 19,350	\$ 19,350	\$ 19,350
Self-Sufficiency Standard for Nebraska	\$ 42,732	\$ 34,230	\$ 49,632	\$ 37,099

Food is one component of the Self-Sufficiency Standard, approximately 1/5 of a household’s budget, and its cost is calculated using the Low-Cost Food Plan of the USDA. The Low-Cost Food Plan does not allow for any take-out, fast-food, or restaurant meals, even though, according to the Consumer Expenditure Survey, average American families spend about 42% of their food budget on food eaten away from home.⁵ The choice to use the Low-Cost food budget reflects what it costs to adequately meet consumer needs, not consumer behavior. By adjusting food costs based on the number and age of children and the number and gender of adults, we get an idea of the actual amount it takes for Nebraska families to have an adequate nutritious diet, one very important step in the journey to self-sufficiency.

When families are able to meet their needs, including their food and nutrition needs, without public or private assistance, they are self-sufficient. The goals of this report are (1) to further the public dialogue about how we encourage families to become self-sufficient and (2) to help shape public policies that will allow families to move toward self-sufficiency. Right now, thousands of Nebraska families are attempting to take transitional steps to self-sufficiency, but *those steps can only be taken when our public policy guides families down that transitional path.* When families utilize food assistance programs, their

⁵ See the U.S. Department of Labor, Bureau of Labor Statistics. (n.d.) *Consumer Expenditure Survey* (2000 Standard Table 4. Size of consumer unit: Average annual expenditures and characteristics).

limited incomes can be spent on fixed expenses. During their time on food assistance, families gain more work experience, training, and education so that in the future, they no longer need food assistance to provide for their needs.

Our food assistance programs play a vital role in helping our seniors, the disabled, and children meet their basic nutritional needs, but our food assistance programs also play a vital role in transitioning working families to self-sufficiency. As a state, we have the opportunity to help more families become self-sufficient with these food assistance programs.



Federal Food Assistance Programs in Nebraska

The Food Stamp Program is the nation's first line of defense against hunger. The Food Stamp Program is a 100% federally funded benefit that allows eligible recipients to purchase nutritious foods in authorized retail food stores.⁶ In 2004, food and nutrition needs for approximately 113,900 Nebraskans were met through the Food Stamp Program.⁷ (An in-depth discussion of the Food Stamp Program is provided in the next section.)

The National School Lunch Program, which began in 1946, is the oldest and largest of the child nutrition programs. It serves lunch every day to more than half of America's school children.⁸ Almost 100,000 public and non-profit private schools and residential child care institutions nationwide offer the School Lunch Program to their students.

The amount of federal funds going to a school for each child's lunch depends on that child's family income. As reported by the Food Research and Action Center, for children who are not low-income, a nominal federal payment is made, but the child's family pays most of the cost. These are called "paid" meals. If family income is below 130% of the federal poverty level, about \$25,155 a year for a family of four, the federal government pays the whole cost of the lunch, and the lunch is free to the child. For children with family income between 130 and 185 percent of poverty, from \$25,156 up to \$35,798 annually for a family of four, the government payment is 40 cents less than for a free lunch, and the school can charge the child up to 40 cents (called a "reduced price" lunch).

1,023 Nebraska schools participated in the program during the 2003-2004 school year (the latest data available), serving meals to an average of 225,130 students every day.⁹ Of these students, 41% benefit from the free or reduced price options. For the 2003-2004 school year, the State of Nebraska drew down \$35,945,105 in federal reimbursement funds for our schools participating in the School Lunch Program.

The National School Breakfast Program, piloted in 1966, provides funding similar to the School Lunch Program for schools to offer breakfast. While many families eat breakfast at home together, some poor families cannot afford to feed their children a nutritious breakfast every day, and the School Breakfast Program is an essential support so that these children are alert and ready to learn. For many other families, including those families who eat breakfast together, long commutes, varied work schedules, and long work hours for parents mean that some children leave home long before school starts. Many children and teenagers, in particular, have trouble eating a solid breakfast when they first wake up. As reported by the Food Research and Action Center, at the same time that more children need school

⁶ While the Food Stamp benefit is 100% federally funded, Nebraska does have to pay 50% of the administrative cost.

⁷ Food and Nutrition Service, United States Department of Agriculture. www.fns.usda.gov/pd/fsfypart.htm.

⁸ Food Research and Action Center. *State of the States: 2005*. www.frac.org.

⁹ Food Research and Action Center. *State of the States: 2005*. www.frac.org.

breakfast just to avoid being hungry during morning classes, there is increasing evidence of the positive nutritional, educational, and behavioral effects of a good breakfast eaten at school close to the period during which a child is being taught. More and more schools are serving breakfast literally in the classroom. Some are serving the meal just before or even during the first class of the day. Studies show that in addition to ensuring that students start their days alert and with a balanced breakfast, school breakfast promotes healthier eating to fight obesity; improves student achievement, behavior, and test scores; and reduces absenteeism, tardiness, and school nurse visits.

Families of four earning more than \$35,798 pay for their breakfast. Families of four earning between \$25,156 and \$35,798 pay a reduced price for breakfasts. Families of four earning less than \$25,155 are eligible for a free breakfast.

Nebraska's School Breakfast Program serves, on average, 41,691 students each school day. That number is up about 2,000 students from last year, and although 14 more schools offer the program than did last year (currently 554 schools), Nebraska has fallen in rank from 44th out of 50 states to 46th in the last year.



The Summer Food Service Program is the single largest federal resource available for local sponsors who want to combine a feeding program with a summer activity program. The Summer Food Service Program is designed to take the place of the National School Lunch Program during the summer, when hungry children are not in school, and helps schools, local public agencies, and nonprofits secure federal funding to provide meals to low-income children who may not get good nutrition otherwise.¹⁰

In the latter part of 2000, Senator Richard Lugar (R-IN), seeing disappointing summer food results, put into legislation a pilot project to reduce paperwork and maximize reimbursement for schools in the 13 states with the worst participation rates. Nebraska was one of those states. As a result, from 2000 to 2003, participation in Nebraska's summer food programs grew 5.7%, while the states that did not participate in the Lugar Pilot Project saw their summer food participation rates fall an average of 18%.¹¹

Unfortunately, our summer food programs still serve considerably less children than need the program to access the meal. In 2002, Nebraska served 8,234 children each day through the summer food programs, significantly less than the 88,563 students who received a free or reduced-price lunch during that same year. Nebraska ranked 44 out of 50 states last year for the Summer Food Program.¹²

Nebraska's ranking has recently fallen even further. Current, Nebraska ranks 46 out of 50 states in reaching hungry children during the summertime, serving less children in 2003 than it did in 2002,¹³ even though participation in the School Breakfast and Lunch programs went up for that same time period.

Transportation in rural areas has been cited as one of the biggest challenges in helping low-income children access meals in the summer. To receive their meal in the summer, children have to get to the Summer Food site, sometimes a hundred miles away, while during the school year, they access the meal right at school. To ensure that our children do not go hungry during the summer months, the State of Nebraska must find ways to make this program more readily available in rural Nebraska.

¹⁰ Food Research and Action Center. "Good Choices in Hard Times," February 2002. www.frac.org.

¹¹ Food Research and Action Center. *State of the States: 2005*. www.frac.org.

¹² Ibid.

¹³ Ibid.

The Child and Adult Care Food Program (CACFP) makes federal grants to states to provide nutritious meals to child care centers, after school programs, adult day care centers, and independent agencies that provide care to children, seniors or disabled adults. Nebraska received \$22,146,783¹⁴ in 2004 to carry out this program, generating local economic growth while feeding our children, people with disabilities, and seniors. Approximately 36,000 Nebraska children participate in the CACFP program every day.

The Special Supplemental Nutrition Program for Women, Infants, and Children, commonly known as WIC, serves to safeguard the health of low-income pregnant women, infants, and children up to age six who are at nutritional risk. Expectant mothers, infants, and children up to age six are eligible for the WIC program under the following guidelines: families of two qualify if they earn \$23,736 a year or less; families of three qualify if they earn \$29,767 a year or less; and families of four qualify if they earn \$35,798 a year or less.

The program provides nutritious foods (such as milk, cheese, beans, peanut butter, and other low-cost, high protein foods) to supplement diets, information and recipes for healthy eating, and referrals for health care. In 2004, Nebraska received \$23,794,722 in federal funding for the WIC program, generating significant local economic growth while feeding 39,569 pregnant women, infants, and children up to age six each day.

The Commodity Supplemental Food Program (CSFP) works to improve the health of low-income pregnant and breastfeeding women, other new mothers up to one year postpartum, infants, children up to age six, and elderly people at least 60 years of age by supplementing their diets with nutritious USDA commodity foods.¹⁵ (Individuals can only participate if they are NOT participating in the WIC program.)

Pregnant women, infants, and children must meet eligibility guidelines of \$35,798 a year or less for a family of four, or \$23,736 for a family of two. Seniors 60 or older must earn no more than \$16,679 for a family of two, or \$12,441 for a household of one. Eligible households receive a monthly food box of high-protein, high-calcium foods, valued at \$50. Unfortunately, the USDA projects a sharp increase in the food box costs due to reduction of the donated dairy in the program, meaning a larger cost to states. While this monthly food box is meant to be a supplement for pregnant women, children, and seniors, many Nebraska CSFP providers note that these \$50 monthly food boxes are no longer supplements – they often serve as a family's sole source of food for the month.

CSFP reaches the elderly in their homes and gathering places, with dignity and uncomplicated paperwork, and with specific food designed to supplement protein, iron, calcium, and vitamins A & C. CSFP supports the American farmer more directly using wholesale dollars. Nutrition education is also provided on how to cook with commodity items.

In 2004, average monthly participation in the CSFP program in Nebraska was 13,792 (535,000 nationwide), drawing down \$757,561 federal funds into Nebraska.¹⁶

Spotlight on Food Stamps

The Food Stamp Program is the nation's first line of defense against hunger. The Food Stamp Program is a 100% federally funded benefit that allows eligible recipients to purchase nutritious foods in authorized retail food stores.¹⁷ In 2004, 113,900 low-income working families, seniors, and children benefited from

¹⁴ Ibid.

¹⁵ Food and Nutrition Service, United States Department of Agriculture.
www.fns.usda.gov/fdd/programs/csfp/.

¹⁶ Food Research and Action Center. *State of the States: 2005*. www.frac.org.

¹⁷ While the Food Stamp benefit is 100% federally funded, Nebraska does have to pay 50% of the administrative cost.

Nebraska’s Food Stamp Program every month.¹⁸ As of February 2005, 49,891 Nebraska families utilize food stamps to help provide nutritious food for their families.¹⁹

To be eligible for food stamps, the household must comply with work requirements (30 hours per week in Nebraska²⁰) and meet the income guidelines set in the following table:

Household Size	Maximum Gross Annual Income	Average Nebraska Monthly Food Stamp Allotment	Maximum Monthly Food Stamp Allotment (set in federal law)
1	\$ 12,108	\$ 79.52	\$ 149
2	\$ 16,248	\$ 159.04	\$ 274
3	\$ 20,376	\$ 238.56	\$ 393
4	\$ 24,516	\$ 318.08	\$ 499
5	\$ 28,644	\$ 397.60	\$ 592
6	\$ 32,784	\$ 477.12	\$ 711
7	\$ 36,912	\$ 556.64	\$ 786
8	\$ 41,052	\$ 636.16	\$ 898
Each additional member	+ \$345	+ \$79.52	+ \$112

Efficiency of the Food Stamp Program

Nebraska’s Food Stamp Program has seen significant growth and improvements in the last decade. Nebraska has adopted new rules to simplify paperwork, has modified the ban on drug felons to allow the receipt of food stamps in certain cases, has offered transitional food stamps to families leaving cash assistance, and provides food stamps for all eligible legal immigrants, among other efforts. Nebraska also uses an electronic benefits card (similar to a debit card) that reduces the stigma on recipients while decreasing fraud and abuse.

On May 5, 2005, the Government Accountability Office (GAO) released a report²¹ that finds that efficiency in the Food Stamp program nationwide has reached its best level in history. These findings contradict the suggestions and claims of high rates of “fraud, waste, and abuse” in the Food Stamp Program.

“In recent years, Congress has worked hard on a bipartisan basis to improve the integrity of the Food Stamp Program. The new report from the GAO shows not only that those efforts are bearing fruit, but that the Food Stamp Program is working better than ever,” said Senator Tom Harkin of Iowa.

Among the findings of the GAO report were the following:

- The error rate for the Food Stamp Program has declined by almost one-third over the past five years from 9.86 percent in 1999 to a record low of 6.63 percent in 2003.
- 98 percent of households receiving food stamps were eligible for the program.
- By reducing the error rate between 1999 and 2003, the Food Stamp Program avoided paying out some \$700 million in erroneous payments in 2003 that it otherwise would have paid had the error rates from 1999 remained constant.

¹⁸ Food and Nutrition Service, United States Department of Agriculture. www.fns.usda.gov/pd/fsfypart.htm.

¹⁹ Food and Nutrition Service, United States Department of Agriculture. [www.fns.usda.gov/pd/fs_hh_\(latest\).htm](http://www.fns.usda.gov/pd/fs_hh_(latest).htm).

²⁰ 475 NAC 3.001.04

²¹ Government Accountability Office. www.gao.gov/new.items/d05245.pdf.

- Of the errors reported in the Food Stamp Program, two-thirds are the result of caseworker error (such as failure to act on reported changes in income or making mistakes in applying program rules).
- In addition, declining error rates in the Food Stamp Program have occurred at a time of rapidly rising participation in the program, showing increased efficiency and targeting of resources.

The Food Stamp Program error rate represents the combined total of the food stamp overpayment rate as well as the underpayment rate – that is, benefits due to eligible recipients that they did not receive. If the underpayments were subtracted from the overpayments, arguably a more accurate way of measuring total food stamp benefits paid in error, the aggregate food stamp payments overpaid would equal \$760 million for fiscal year 2003, just 3.5 percent of total food stamp benefits nationwide.²²

Characteristics of Food Stamp Households in Nebraska

According to a March 2000 report (latest report available) prepared by the Nebraska Department of Health and Human Services, over 51% of Nebraska’s food stamp population at that time was made up of children, and over 9% were age 60 or older. Additionally, almost 43% of households at that time were made up of single persons. 76% of the entire food stamp population at that time could be found in just 14 counties.²³

According to the Nebraska Department of Health and Human Services, 114,855 Nebraskans received food stamps in July of 2004.²⁴ The following is a breakdown of their ethnicities:

American Indian or Alaskan Native	...4 %
Asian or Pacific Islander1 %
Black (not of Hispanic origin)18 %
Hispanic8 %
White65 %
Other3 %



National characteristics of food stamp households look very similar to Nebraska’s information. Data made available in October of 2004 from the USDA reports that over 51% of all food stamp recipients in the United States are children, and at least 9 percent are age 60 or older. Most food stamp households were very small (average of 2.3 members).²⁵

Additionally, the USDA reports that the majority of food stamp households do not receive cash welfare benefits, citing less than one in six received TANF (Temporary Assistance to Needy Families, the nation’s cash welfare program).²⁶ Further, food stamp households possess few resources. The average food stamp household possesses only about \$154 in countable resources.²⁷

²² Government Accountability Office. www.gao.gov/new.items/d05245.pdf.

²³ Counties in order of highest number of food stamp recipients: Douglas, Lancaster, Scotts Bluff, Hall, Lincoln, Sarpy, Madison, Buffalo, Adams, Thurston, Dodge, Platte, Dawson, and Dakota.

²⁴ Electronic correspondence dated September 14, 2004.

²⁵ Food and Nutrition Service, United States Department of Agriculture.

www.fns.usda.gov/oane/MENU/Published/FSP/FILES/Participation/2003Characteristics.htm.

²⁶ Ibid.

²⁷ Ibid.

The Food Stamp Allotment

According to the USDA, the average food stamp allotment for a household in Nebraska is \$188.40.²⁸ However, since many households are small (seniors who live alone are considered households of one), pulling down the average household size, a more meaningful number to help determine the impact of food stamps may be the average food stamp allotment per person, which is \$79.52 in Nebraska.²⁹ (Note: A large number of senior citizens receive only \$10 in food stamps per month, the minimum allotment.) Based on the average per person allotment, a family of four in Nebraska would receive, on average, \$318 per month.

To determine how well this food stamp benefit meets a family's nutritional needs, the allotment was compared to the Thrifty Food Plan, the USDA's national standard for a low-cost, nutritional diet. According to the USDA, the Thrifty Food Plan is not intended to be permanent, but used only in emergency situations to meet a family's minimal nutritional needs.

To purchase the foods suggested in the Thrifty Food Plan, a family of four in Nebraska would spend \$475 per month. (See Appendix A.) With the average food stamp allotment for a family of four at \$318 per month, families must still come up with \$157 per month on their own to meet their most basic of nutritional needs. Food stamp recipients, then, are faced with purchasing less nutritional, higher calorie, and generally more filling foods for their family to be able to stretch their food stamp dollars. While there is room for improvement, *food stamps are still the best way to help families put healthy food on the table by adding a significant amount of purchasing power to a family's budget.*

Impact of Food Stamps on the Nebraska Economy

In 2004, the State of Nebraska received \$108,691,184 in federal Food Stamp funds.³⁰ According to a report from the Economic Research Service (ERS) of the USDA, every \$5 in Food Stamps spent generates \$9.20 in the local economy.³¹ Based on this study, local Nebraska economies received a total of \$199,991,778 from the Food Stamp Program in 2004.

Not only are food stamps Nebraska's first line of defense against hunger, helping 113,900 Nebraskans access food for their family, they also provide our economy with incredible stimulus. Chuck Hassebrook, Executive Director of the Center for Rural Affairs (based in Lyons, Nebraska), states, "If done right, food programs provide access to food and new opportunities for farmers to gain access to local markets, enabling them to capture a larger share of profit in the food system."

Unfortunately, the State of Nebraska is missing out on a minimum of an additional \$8.3 million per year, essentially not claiming those federal dollars for Nebraska. Currently, only 62% of Nebraskans eligible for food stamps receive them.³² Last year, that utilization rate translated to 69,800 Nebraskans eligible, but not receiving food stamps. If those 69,800 eligible Nebraskans received food stamps (using the \$10.00 minimum allotment), Nebraska would be drawing down an additional \$8,376,000 in federal food stamp funds, stimulating (based on the ERS study previously mentioned) a return of \$15,411,840 in Nebraska's economy.³³

²⁸ Food and Nutrition Service, United States Department of Agriculture. [www.fns.usda.gov/pd/fsavghh\\$.htm](http://www.fns.usda.gov/pd/fsavghh$.htm).

²⁹ Food and Nutrition Service, United States Department of Agriculture. www.fns.usda.gov/pd/fsavgben.htm.

³⁰ Food and Nutrition Service, United States Department of Agriculture. www.fns.usda.gov/pd/fsfybft.htm.

³¹ Economic and Research Service, United States Department of Agriculture. www.ers.usda.gov/publications/fanrr26/fanrr26-6/fanrr26-6.pdf. Also confirmed 27 February 2005 through Ted Macaluso with the Economic and Research Service of the USDA.

³² www.frac.org/html/federal_food_programs/FSP/Participation_Rates_03.html.

³³ This is a conservative estimate based on the minimum food stamp allotment. If the average food stamp allotment was used, Nebraska would draw down an additional \$66 million.)

Policy Recommendations

1. Simplify the Food Stamp application. Currently, Nebraska's food stamp application (which is also the application for several other assistance programs) is 14 pages long. The length of the application is a common barrier to applying for assistance, meaning fewer low-income, hardworking Nebraskans are accessing the help they need to transition to self-sufficiency. The Nebraska Department of Health and Human Services committed to pilot a revised application in the summer of 2005 to make the application a few pages shorter, but this effort is only one step needed to effectively revise the application. Many states have somewhat shorter applications that still collect all necessary information. Texas, for example, has a combined programs application that is eight pages long and is written in both English and Spanish. Nebraska should strive to reduce all barriers to applying for this transitional help, while reducing paperwork and other administrative burdens.

2. Utilize the Federal Outreach Option. The Food Stamp Act of 1997 requires state agencies to inform citizens about the Food Stamp Program. The Federal Outreach Option provides a 50% match in funds for all allowable state outreach efforts, such as developing public service announcements, distributing posters and other educational materials, and visiting community agencies.³⁴ Currently, only 62% of eligible Nebraskans receive food stamps,³⁵ preventing thousands of Nebraskans from receiving vital food assistance and preventing additional federal funds from entering Nebraska's economy. Nebraska should participate in the Federal Outreach Option and expand education and information about food stamps across the state. Nebraska's outreach efforts could help all eligible Nebraskans access food stamps, bringing in an additional \$8.3 million into the Nebraska economy.

3. Adopt the Self-Sufficiency Standard for Nebraska. By specifying the income needs of families by family size, number and ages of children, and sub-State geographical data, the State of Nebraska can assist agencies in their efforts to help Nebraska families reach self-sufficiency. The Departments of Health and Human Services, Labor, Education, and Economic Development would all greatly benefit from having self-sufficiency explicitly defined in this way as they help families and communities plan for their future. (To view the Self-Sufficiency Standard for Nebraska, visit the publications section at www.neappleseed.org/news.)

For example, the Department of Labor's "One Stop" workforce development facilities offer three types of services³⁶ available to working people who would like to find a better paying job and people who are trying to enter or re-enter the workforce. Their intensive services include job counseling. The Self-Sufficiency Standard, coupled with their labor market information, would be a very effective tool to help people find jobs that will provide enough income for all of a family's basic needs.

While food assistance programs are a vital step in helping transitioning families meet their basic nutritional needs, it is not simply enough to offer food assistance. Food assistance alone will not make families self-sufficient. Nebraska must develop policies that will allow hardworking, low-income families to move out of poverty, and offer food assistance during that transitional time. State agencies utilizing the Self-Sufficiency Standard will have more successful outcomes with their client families than agencies who do not utilize the Standard.

³⁴ Nebraska AgRelations Council Brochure. www.nol.org/home/NARC/info.htm#agfacts.

³⁵ www.frac.org/html/federal_food_programs/FSP/Participation_Rates_03.html.

³⁶ Core Services, Intensive Services, and Training Services. Core services are available to all adults or dislocated workers through the One-Stop delivery system, and include outreach, orientation, skills assessment, job search, and placement assistance. Intensive services (provided to adults and dislocated workers at the discretion of the Workforce Investment Board) include comprehensive and specialized assessments, individual employment plans, group counseling, and others. Training services (provided to adults and dislocated workers who have met the eligibility for intensive services and who are unable to obtain employment) provide opportunities for individuals to select a program of training directly linked to the employment opportunities in the local area.

Concluding Discussion

Food assistance programs help move families to self-sufficiency. When families utilize food assistance programs, their limited incomes can be spent on fixed expenses, such as child care, utilities, and rent. During their time on food assistance, families gain more work experience, training, and education so that in the future, they no longer need food assistance and can provide for their own needs as a result of increased earnings. Our food assistance programs play a vital role in transitioning people to self-sufficiency, and as a state, we have the opportunity to help more families become self-sufficient with these food assistance programs.

Besides transitioning Nebraska families to self-sufficiency, food assistance programs provide an incredible stimulus to the Nebraska economy. **In one year, the State of Nebraska receives over \$200 million in federal funds from nutrition programs.**³⁷

Currently, the federal government is considering cutting food assistance funding to each state. A budget approved in May of 2005 will require the Agriculture Committees to cut at least \$3 billion from programs under the Committee's jurisdiction. These cuts could come from Food Stamps or they could come from farm subsidy payments to corporate farms earning more than \$250,000 a year.³⁸

Findings by the Bipartisan Hunger Messaging Project found that an astonishing 94% of voters said it was important to them to pay for anti-hunger programs in the United States, even in times of budget deficits and economic hardship.³⁹

If funding for the Commodities Supplemental Food Program remains at the Administration-requested level of \$106.8 million, approximately 120,000 currently participating senior citizens will be forced out of the program, including approximately 3,000 seniors in the state of Nebraska.

If the Food Stamp Program is cut more than President Bush proposed in February 2005, **Nebraska stands to lose a significant amount of federal funding, and Nebraska families will face increasingly difficult decisions about how to put food on the table.** With the recent GAO report showing the Food Stamp Program is particularly efficient, it is clear that a *cut in Food Stamps will mean less dollars going to hardworking families.* "This report confirms what we knew all along, that significant budgetary savings cannot be squeezed from a program that, in reality, has very low-levels of payment inaccuracy," said Senator Harkin (D-IA). "The Food Stamp Program is doing precisely what Congress designed it to do – delivering needed benefits to over 25 million Americans, the vast majority of them children, the elderly, and working families. This is not the time to be cutting the program back and hurting those that benefit from it."

At the USDA-USAID International Food Aid Conference on May 3, 2005, Secretary of Agriculture Mike Johanns remarked that an important 59 percent of the USDA's budget relates to food aid in some form or fashion. "It might be the free and reduced lunch program here in the United States. It might be Food Stamps; it might be WIC...So these are very, very important areas for us." Secretary Johanns went on to say that even in times of a budget crisis, food assistance programs are not only important to him, but also

³⁷ Food Research and Action Center. *State of the States: 2005*. www.frac.org.

National School Lunch Program - \$35,945,105

National School Breakfast Program - \$7,075,396

Summer Food Service Program - \$799,400

Child and Adult Care Food Program - \$22,146,783

Special Supplemental Nutrition Program for Women, Infants, and Children - \$23,794,722

Commodities Supplemental Food Program - \$757,561

Food Stamps - \$108,691,184

The Emergency Food Assistance Program (not discussed in this paper) - \$1,814,410

Total Federal Funding to Nebraska for Food Assistance Programs - \$201,024,561

³⁸ Programs like WIC and CSFP are also at risk because of tight limits on funding for annually appropriated programs.

³⁹ The Bipartisan Hunger Messaging Project. Bread for the World. www.bread.org.

to President Bush. "This President's been very supportive of these programs at a time again where his focus, all of our focus should be on deficit reduction. He's really stepped up to the plate on that part of the budget, and I think increased funding, and in addition in some areas even tried to build in a contingency fund. I applaud him for that. I just think it's a very strong compassionate statement again in a time where we're trying to deal with the federal deficit and get that under control."⁴⁰

Nebraska's federal delegation, Senators Ben Nelson and Chuck Hagel, and Congressmen Jeff Fortenberry, Lee Terry, and Tom Osborne, can play a critical role in protecting these programs. Of particular importance is the fact that Senator Ben Nelson sits on the Senate Agricultural Committee, and Congressmen Jeff Fortenberry and Tom Osborne sit on the House Agricultural Committee, the committees who will decide how to cut \$3 billion in food or corporate farm programs. We urge Senators Nelson and Hagel, and Congressmen Fortenberry, Terry, and Osborne, to protect Nebraska's children, seniors and low-income hardworking families by protecting the integrity of these programs and securing the funding to continue the food assistance programs that move Nebraska families to self-sufficiency and stimulate Nebraska's economy. The 180,000 food-insecure Nebraskans, including 76,000 Nebraska children who could fill Memorial Stadium, are counting on you.

⁴⁰ United States Department of Agriculture.
www.usda.gov/wps/portal/lut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2005/05/0146.xml

Appendices

A – Shopping on a food stamp budget

B – Eligible food items under the Food Stamp Program

C – For the advocate

D – Federal delegation contact information

Appendix A – Shopping on a food stamp budget

The average amount that a family of four in Nebraska receives in food stamps is \$318 a month. Is this enough to put food on the table everyday? Is this enough to provide nutritious meals for your family? To test this, I looked for help from the U.S. Department of Agriculture's Thrifty Food Plan. "The Thrifty Food Plan provides a representative healthful and minimal cost meal plan to demonstrate how a nutritious diet may be achieved utilizing a modest budget or food stamp benefits" (The Thrifty Food Plan Administrative Report, 1999). This food plan is not intended to be permanent, but to be used only in emergency situations. So I figured that a family receiving food stamps should be able to go off of this plan and get by.

The Thrifty Food Plan has two weekly food lists that can each be repeated twice in a month. All of the food listed is intended to provide enough food for a family of four in one week. Based on these lists, I came up with the total amounts of each food item that a family of four would need in one month.

After looking at the Thrifty Food Plan (TFP), I wanted to find out how much it would cost to purchase all of those items. The latest Thrifty Food Plan that was on the website was from 1999, so the costs factored in would certainly be higher now in 2005. To do this, I went to a national chain grocery store and looked up all of the prices of these products.

When the shopping was completed, I was anxious to tally up the numbers to see how much everything cost. Since I was limited to what food items I could purchase based on the USDA's recommendations, I figured that I had saved a lot of money. To my surprise, after adding up all of the numbers, the total cost for a monthly supply of food was \$475.42. To a family of four living comfortably, this number may seem pretty low. But to a low-income family receiving \$318 a month in food stamps, this number is way over budget.

Where would I come up with the extra 157 dollars needed to buy the rest of the food that food stamps didn't cover? To a family living in poverty, 157 extra dollars is impossible to come up with after budgeting for everything else...which means that I would have to cut back on food. What if we ate Macaroni and Cheese for lunch everyday, then would we have enough money for all of our food? I can buy Mac and Cheese for \$.59/box and 2 boxes fills up my family of 4 for a meal. What if I substituted chips for vegetables? Chips were on sale for \$1.00 a bag, and with a much higher fat content, our family of four would feel fuller longer than eating \$1.00 worth of vegetables. There are different ways that a family could save a few dollars on food, but the point is that even with using the Thrifty Food Plan and cutting back on a lot of foods a family might normally buy; food stamps do not cover all of the food needed to feed a family everyday. Even if a family was able to buy everything in bulk...they might save some money, but that food is not going to stay fresh for an entire month unless it is boxed, canned, or frozen. By buying food for just one week at a time, a family is getting less for their dollar...although most families would not have enough money to buy their monthly food supply all at once. A low-income family trying to make ends meet is not going to be able to come up with \$475 all at once, especially when food stamps only cover about half of their food costs.

So what about all of the costs not figured into this? The family of four is already over budget, so how are they going to provide food for special occasions like birthdays and holidays? What are they going to do for Thanksgiving? What are they going to do if they have guests staying with them? These are things that are not figured into the Thrifty Food Plan, and these are the things that our hard-working, low-income families on food stamps are faced with every month.

Meredith Metcalf, BSW intern (Nebraska Wesleyan University)
Nebraska Appleseed

Appendix B – Eligible food items under the Food Stamp Program⁴¹

Households **CAN** use food stamp benefits to buy:

- Foods for the household to eat, such as:
 - breads and cereals;
 - fruits and vegetables;
 - meats, fish, and poultry; and
 - dairy products.
- Seeds and plants that produce food for the household to eat.

Households **CANNOT** use food stamp benefits to buy:

- Beer, wine, liquor, cigarettes, or tobacco;
- Any nonfood items, such as:
 - pet foods;
 - soaps and paper products; and
 - household supplies.
- Vitamins and medicines.
- Food that will be eaten in the store.
- Hot foods.

In some areas, restaurants can be authorized to accept food stamp benefits from qualified homeless, elderly, or disabled people in exchange for low-cost meals. Food stamp benefits cannot be exchanged for cash.

⁴¹ Food and Nutrition Service, United States Department of Agriculture.
www.fns.usda.gov/fsp/retailers/eligible.htm.

Appendix C – For the advocate

To be involved in or stay informed about the federal budget decisions on food programs impacting the State of Nebraska, contact James Goddard at Nebraska Appleseed, jgoddard@neappleseed.org.

To stay informed about current state legislation on food and nutrition issues, sign up for electronic alerts through the Center for People in Need, www.centerforpeopleinneed.org.

To add your voice to the statewide Food Security Coalition, which seeks long-lasting, public policy solutions to the problem of hunger in Nebraska, contact Lisa Stamm with the Nutrition Center at Greater Omaha Community Action or Jen Hernandez at Nebraska Appleseed. Lisa can be reached at dircsfp@gocaomaha.org or (402) 457-4032. Jen can be reached at jhernandez@neappleseed.org, or by phone at (402) 438-8853, or toll free at 1-800-845-3746.

To inquire about food stamp trainings in your area, which will train your agency staff on how to assist clients in filling out food stamp applications, contact Kate High with the Nebraska Department of Health and Human Services at (402) 471-8840. You may also request food stamp applications to be distributed from your agency by requesting applications from Kate High.

Appendix D – Federal Delegation Contact Information

Senator Chuck Hagel

248 Russell Senate Office Bldg
Washington, DC 20510
Tel: (202) 224-4224
Fax: (202) 224-5213

Omaha Office

11301 Davenport St, Ste 2
Omaha, NE 68154
Tel: (402) 758-8981
Fax: (402) 758-9165

Lincoln Office

Federal Bldg, Rm 26
Lincoln, NE 68508
Tel: (402) 476-1400
Fax: (402) 476-0605

Kearney Office

4111 Fourth Avenue
Kearney, NE 68845
Tel: (308) 236-7602
Fax: (308) 236-7473

Scottsbluff Office

115 Railway Street, Suite C102
Scottsbluff, NE 69361
Tel: (308) 632-6032
Fax: (308) 632-6295

Senator Ben Nelson

720 Hart Senate Office Bldg
Washington, DC 20510
Tel: (202) 224-6551
Fax: (202) 228-0012

Omaha Office

7602 Pacific St, Ste 205
Omaha, NE 68114
Tel: (402) 391-3411
Fax: (402) 391-4725

Lincoln Office

Federal Bldg, Rm 287
Lincoln, NE 68508
Tel: (402) 441-4600
Fax: (402) 476-8753

Western Offices: Tel: (308) 430-0587 Chadron
Tel: (308) 631-7614 Scottsbluff

Congressman

Jeff Fortenberry

1517 Longworth HOB
Washington, DC 20515
Tel: (202) 225-4806
Fax: (202) 225-5686

Congressman

Lee Terry

1524 Longworth HOB
Washington, DC 20515
Tel: (202) 225-4155
Fax: (202) 226-5452

Congressman

Tom Osborne

507 Cannon HOB
Washington, DC 20515
Tel: (202) 225-6435
Fax: (202) 226-1385

Lincoln Office

301 South 13th St, Ste 100
Lincoln, NE 68508
Phone: 402-438-1598
Fax: 402-438-1604

Omaha Office

11717 Burt Street, Ste 106
Omaha, NE 68154

Grand Island Office

819 Diers Ave, Ste 3
Grand Island, NE 68803
Tel: (308) 381-5555
Fax: (308) 381-5557

Fremont Office

629 North Broad Street
Fremont, NE 68025

Kearney Office

1910 University Drive
Kearney, NE 68849
Tel: (308) 236-1330
Fax: (308) 236-1331

McCook Office

203 W. 1st St.
McCook, NE 69001
Phone: 308-345-3328
Fax: 308-345-3329

Scottsbluff Office

21 East 20th Street
Scottsbluff, NE 69361
Phone: 308-632-3333
Fax: 308-635-3049