



# Food Stamp Rules Change Adds 460 Million to Cost in Fiscal 2010

Nearly 3 percent of the households that receive food stamps in United States would have been ineligible to receive them if the income eligibility rules had not been changed, the <u>Government Accountability</u> Office has reported.

According to the GAO, in fiscal year 2010 the government spent an extra \$460 million on the food stamp program — \$38 million per month, or about \$1.26 million per day — because of relaxed limits on the amount of income a household may have and still receive the assistance. Those changes in the Supplemental Nutrition Assistance Program, the fancy name for food stamps, fall under the rubric "broad-based categorical eligibility."



About one in seven Americans are now on food stamps. <u>GAO blames</u> most of the increase in food stamp recipients on the bad economy, but the broadened eligibility standards explain a lot.

And putting more Americans on food stamps, which are administered by the <u>Agriculture Department</u>, <u>has been</u> a key goal of the Obama administration.

## The Report

According to GAO, "In fiscal year 2010, GAO estimates that 2.6 percent (473,000) of households that received Supplemental Nutrition Assistance Program (SNAP) benefits would not have been eligible for the program without broad-based categorical eligibility (BBCE) because their incomes were over the federal SNAP eligibility limits."

The characteristics of these households were generally similar to other SNAP households, although they were more likely to work or receive unemployment benefits. BBCE removes asset limits in most states, and while reliable data on participants' assets are not available, other data suggest few likely had assets over these limits. Although BBCE contributed to recent increases in SNAP participation, other factors, notably the recent recession, had a greater effect.

Whatever effect the recession has had, <u>GAO reports</u>, "BBCE increased SNAP benefit costs, which are borne by the federal government, by less than 1 percent in fiscal year 2010."

In that year, total SNAP benefits provided to households that, without BBCE, would not have been eligible for the program because their incomes were over the federal SNAP eligibility limits were an estimated \$38 million monthly or about \$460 million for the year. These households received an estimated average monthly SNAP benefit of \$81 compared to \$293 for





other households.

The <u>GAO report also details</u> how the increased use of relaxed standards created the \$460 million boondoggle. Although the government explained to the states long ago, during the last year of the Clinton Administration, how to use BBCE policies, only seven states adopted them between 2001 and 2006. "However, when the recent economic downturn began, and households applying for SNAP began to increase greatly, FNS encouraged states to adopt these policies to streamline eligibility processes and ease workload," the <u>GAO reported</u>.

Unsurprisingly, by May 1, 2012, 43 states had adopted the loosened standards.

#### The Massive Increase

The \$460 million increase for 2010 is no shocker. In June, <u>CNN reported</u> that the agriculture department "is spending between \$2.5 million and \$3 million on paid spots, and free public service announcements are also airing. The campaign can be heard in California, Texas, North Carolina, South Carolina, Ohio, and the New York metro area."

And as <u>The New American</u> reported last month, the government has enlisted the help of the Mexican government to get the word about food stamps out to Mexicans living in the United States. Reported Joe Wolverton, quoting the Agriculture Department's website, "USDA and the government of Mexico have entered into a partnership to help educate eligible Mexican nationals living in the United States about available nutrition assistance."

The agency explains the program on a web page titled "Reaching Low-Income Hispanics With Nutrition Assistance," which reports that "Mexico will help disseminate this information through its embassy and network of approximately 50 consular offices." That program was begun not by President Obama but by President George W. Bush. Reported Wolverton, "The agreement that created the Mexican-American joint venture of spreading the news of the availability of welfare was signed in 2004 by Bush administration Agriculture Secretary Ann Veneman. Veneman, in partnership with Mexican Secretary of Foreign Affairs Ernesto Derbez Bautista, initiated the program in 2004 to ensure that Mexican Americans and Mexican nationals working in America were apprised of how to go about qualifying and applying for food stamps."

Beyond that, <u>top Democrats assure</u> Americans that food stamps stimulate the economy — ignoring the fact that the money government spends on such programs must be siphoned out of the economy to begin with.

Writing at NationalReview.com last month, Rich Lowry explained the numbers. "Two-thirds of the Agriculture Department's budget is devoted to welfare programs," he wrote.

The biggest is food stamps, which is now the nation's second-largest welfare program after Medicaid. Its inexorable growth during the past decade, through good times and bad, is a testament to government's self-generating expansion.

Asked what labor wanted, the great 20th-century union leader Samuel Gompers answered, "More." The modern welfare state lives by the same credo. About 17 million people received food stamps back in 2000. Some 30 million received them in 2008. Roughly 46 million people receive them today. From 1 in 50 Americans on food stamps at the program's national inception in the 1970s, 1 in 7 Americans are on them now.

### **Food-Stamp President**



## Written by **R. Cort Kirkwood** on August 6, 2012



No wonder failed GOP presidential candidate <u>Newt Gingrich</u> <u>repeatedly called</u> Obama the <u>"food-stamp president"</u> <u>during his run</u> for the party's nomination. Obama, <u>he said</u>, is the "most successful food stamp president in American history." Gingrich also called him the "best" and "finest" food-stamp president.

Gingrich was, of course, deemed "racist." Rep. <u>Steve Cohen</u>, D-Tenn, <u>offered this assessment</u>: "Unfortunately, there's still people in this country who think that the President can't be their president because of his race. Some even refer to him as a food stamp president."

Salon.com's <u>Joan Walsh</u>, ever on <u>the lookout for racist Republicans</u>, nearly nominated Gingrich for membership in Ku Klux Klan. "Newt Gingrich doubled down on his clever new slur against President Obama as 'the food stamp president,'" <u>she wrote</u> in May, 2011.

It's a short hop from Gingrich's slur to <u>Ronald Reagan's attacks</u> on "strapping young bucks" buying "T-bone steaks" with food stamps. Blaming our first black president for the sharp rise in food-stamp reliance (which resulted from the economic crash that happened on the watch of our most recent white president) is just the latest version of Rush Limbaugh suggesting that Obama's social policy amounts to "reparations" for black people.

When NBC's <u>David Gregory</u>, host of <u>Meet The Press</u>, <u>called Gingrich</u> a racist for the "food-stamp president" attacks, Walsh was quite exercised that the candidate scolded the leftist media star. "I have never said anything about President Obama which is racist," Gingrich said.

Wrote Walsh, "That's not quite as extreme or silly as Donald Trump declaring 'I am the least racist person there is,' but it's up there."

He also told Georgia Republicans Friday that 2012 will be the most momentous election "since 1860," which happens to be the year we elected the anti-slavery Abraham Lincoln president, and he suggested the <u>U.S. bring back a "voting standard"</u> that requires voters to prove they know American history — which sounds a lot like the "poll tests" outlawed by the Voting Rights Act.

Walsh was also upset that Gingrich said Obama's policies will turn the country into a larger version of Detroit, "which just happens to be home to many black people."

Leftist <u>Chris Matthews</u>, the host of "<u>Hardball</u>" on MSNBC, agreed, <u>saying Gingrich</u> "should be ashamed of himself."

None of the leftists who accused Gingrich of racial malice disputed the facts he put forth; i.e., that <u>15</u> <u>percent of Americans receive food stamps</u>.





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