

NEWS RELEASE April 21, 2004 Contact: Celia Hagert, hagert@cphp.org

TEXAS REACHING ONLY HALF OF THOSE ELIGIBLE FOR FOOD STAMPS, RANKING CLOSE TO BOTTOM AMONG STATES IN NEW NATIONAL STUDY

Report comparing states on extent of hunger and use of federal resources to address needs reveals Texas benefits enormously from programs, but still leaves millions on the table - Nearly 15% of Texas households are food insecure

AUSTIN—Even while state budgets are tight and programs are being cut back to historically low levels, Texas could still take better advantage of federal dollars to serve the hungry and food insecure, says a study released today.

With 46% to 52% of eligible persons participating, Texas ranks third from the bottom in participation. In 2003 almost 1.9 million Texans received food stamps, which brought \$1.9 billion in federal funding to the state. If Texas had reached just 75% of eligible persons in 2003, over \$800 million more in federal food stamp dollars would have flowed into the state economy. State officials say that food stamp participation is even lower; the Texas Department of Human Services estimated it reached only 35% of the eligible population in 2003.

“Texas can and should do more to increase food stamp participation,” said Celia Hagert, a senior policy analyst at the Center for Public Policy Priorities. “When we fail to reach so many eligible people in need of food assistance, we aren’t just turning our backs on families in crisis, we’re turning down hundreds of millions of federal dollars that would be poured directly back into the Texas economy through food purchases at grocery stores.” These funds are more important now than ever, with recent cuts in state funding for other health and human services. “You can’t use your lone star card [food stamps] to pay your rent, but it sure does take some of the pressure off a family in a constant juggling act to make ends meet,” Hagert pointed out.

This was just one of several findings in a study released today by the Food Research and Action Center (FRAC).

Updated with the latest data from official government sources for fiscal 2003 and the 2003-04 school year, *The State of the States: A Profile of Food and Nutrition Programs Across the Nation* provides a comprehensive state-by-state snapshot of the extent of hunger, and of states' use of the federal nutrition programs to address needs across the country. The federal nutrition programs covered are: Food Stamps, School Lunch, School Breakfast, Summer Food, Child and Adult Care Food Program, WIC, The Emergency Food Assistance Program, and the Commodity Supplemental Food Program.

Highlights of the report for Texas include:

- Almost 15% of households in Texas report being food insecure (based on this percentage CPPP estimates that over 3.1 million Texans are food insecure). For the nation, 34 million households (almost 11%) were food insecure or hungry. Black and Hispanic households experienced food insecurity at double the national average.
- The Texas school breakfast program has seen a 63% increase in participation over the last 10 years, largely the result of a state law passed in 1993 that required school districts with more than 10% economically disadvantaged students to offer school breakfast. The school breakfast program brought in over \$226 million in federal funds to Texas last school year.
- Texas ranks 7th among all states in the ratio of students receiving free or reduced-price breakfast per 100 receiving free or reduced-price lunch in 2002-03. Still, the school breakfast program reached just over half (52%) of the children who eat school lunch. Any significant increase in participation would mean more federal dollars for schools, which would free up their limited resources for other programs.
- The federal reimbursement to Texas for the school lunch program totaled nearly \$700 million for the 2002-2003 school year.
- Participation in the summer nutrition program (as of July 2002) declined over the last 10 years by 13.2%. Texas ranks last in the nation for participation in the summer lunch program, with only 7.1 students receiving the benefit per 100 students receiving free or reduced-price lunch. **(Note:** Participation in Texas' summer food program peaks in June, when the number of children served is generally double those reached in July, the month FRAC uses to measure participation. In June 2002, Texas' summer food program reached 14% of eligible children.) ➤ Over the last 10 years, Texas has seen a remarkable 52% increase in the number of participants in WIC (the Special Supplemental Nutrition Program for Woman, Infants, and Children). WIC brought over \$450 million in federal funds to Texas in 2004. The Texas Department of Health estimates it reaches 78% of persons eligible for WIC.

In most of the food programs, benefits are 100% paid for by the federal government; and most are entitlement programs, without federal spending caps. Wise state choices and replication of best state practices with these programs can bring in substantial federal funds to help struggling families and stimulate the economy. For example, based on U.S. Department of Agriculture research, **FRAC estimates that every \$1 in 100% federally funded food stamps generates \$2 of economic activity in a state.**

Food stamp participation in Texas, which dropped precipitously after the implementation of the 1996 welfare reform legislation, in large part because thousands of *eligible* people no longer participated in the program, has been growing again from 1.4 million recipients in 2000 to almost 1.9 million in fiscal 2003—a 37% increase. This increase is due to combined state and federal efforts to reach eligible families, improved federal laws and state policies, and increasing economic problems facing families in Texans.

The Center for Public Policy Priorities is a 501 (c)(3), non-partisan, non-profit policy research organization committed to improving public policies and private practices to better the economic and social conditions of low- and moderate-income Texans.