The Supplemental Nutrition Assistance Program (SNAP) provides more than 47 million American families with benefits that enable them to procure balanced meals each day. The SNAP program has kept many American families full and healthy over the past 73 years. However, as society and the U.S. economy has evolved, so has the U.S. approach to providing food benefits. The SNAP program is the result of rigorous changes, which have improved the program greatly, but there are new problems facing SNAP that suggest further reform is needed. SNAP cost taxpayers $78 billion during fiscal year 2011, an all-time high.

To receive SNAP benefits, households must first pass a means test for gross income. Exceptions are made for households with either an elderly person or a person who is receiving specific types of disability payments. In these cases, households are required to meet a net income means test. This requires families to report income after deductions, including dependent care deductions. Specific income guidelines measured against the poverty line appear in Table 1.

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Gross Monthly Income (130% of poverty line)</th>
<th>Net Monthly income (100% of poverty line)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$1245</td>
<td>$958</td>
</tr>
<tr>
<td>2</td>
<td>$1681</td>
<td>$1293</td>
</tr>
<tr>
<td>3</td>
<td>$2116</td>
<td>$1628</td>
</tr>
<tr>
<td>4</td>
<td>$2552</td>
<td>$1963</td>
</tr>
<tr>
<td>5</td>
<td>$2987</td>
<td>$2298</td>
</tr>
<tr>
<td>6</td>
<td>$3423</td>
<td>$2633</td>
</tr>
<tr>
<td>7</td>
<td>$3858</td>
<td>$2968</td>
</tr>
<tr>
<td>8</td>
<td>$4294</td>
<td>$3393</td>
</tr>
<tr>
<td>Each additional householder</td>
<td>$436</td>
<td>$335</td>
</tr>
</tbody>
</table>

The benefits of SNAP are wide-ranging, from helping families to sustain their diets to supporting community businesses and economies. Many scholars have referenced SNAP as “the cornerstone of the nation’s nutrition safety net,” and one of the most important programs in place to prevent hunger and food insecurity in the United States. The impact of SNAP goes well beyond individual families in need; USDA Economic Research Service estimates suggest that every $5 in SNAP benefits creates $9 of economic activity. Most of this accrues to supermarkets, generating approximately $53.4 billion worth of economic activity.

2 ibid.
4 Typically deductions for work, training, education, or legally owed child support payments.
of business for supermarkets and an additional $11 billion for local retail outlets (including grocery stores, farmer’s markets, and wholesale outlets).  

SNAP in SOUTH CAROLINA

Approximately 878,000 South Carolina residents, or 19% of the population, receive SNAP benefits. Almost 72% of those recipients are families with children, with the average monthly benefit for a household with children hovering at $419. Households with at least 1 member working outside the home make up 40% of all SNAP participants, while 87% of South Carolina households receiving SNAP benefits fall below the poverty line.

In Horry County, SC, approximately 53,000 individuals were enrolled in the SNAP program and received an average monthly benefit of $132.21. Horry County accounts for nearly 17% of the total population of SNAP recipients in South Carolina.

CHALLENGES AND ALTERNATIVES

During the Great Recession (2007 – 2011), SNAP participation increased from around 26 million recipients to the 2013 figure of 47 million. While increased participation and caseloads are to be expected during recessionary periods, the increase in SNAP participation and spending raises two questions: how deep is the need for food aid (i.e., are current eligibility guidelines sufficient?) and is the system efficient enough to weed out waste, fraud, and abuse?

With regard to both sufficiency and efficiency concerns, the maximum monthly benefit for a SNAP household is determined by multiplying the monthly net family income by 30%. This amount is subsequently subtracted from the maximum monthly allotment based on the number of individuals in a household; the resulting figure represents the household’s monthly benefit. The assumption behind this calculation is that a household spends 30% of its income to provide a “nutritionally adequate diet.”

There are two potential problems with this calculation. First, the 30% multiplicative factor was based on a calculation established in 1963 by economist Mollie Orshansky. In 2013, estimates suggest that households spend less than 10% of their monthly income on food. Second, this calculation is made without regard to the age of children in the household. For example, a family with two children receives

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9 USDA Food and Nutrition Service statistics

the same benefit, regardless of whether the children are infants or teenagers. Thus family need may differ, even as families are the same in size.

An additional issue with sufficient and efficient benefits has to do with the “nutritionally adequate diet” specification. Given public health problems in the United States, families should be required to spend two-thirds of their benefit on foods that promote nutritional balance and health, such as fresh vegetables, fruits, poultry, whole grain, and dairy products. Current, there is a federal-state partnership for SNAP-Ed, a program that supports nutrition education for those eligible for SNAP benefits. There were 52 such nutrition education programs in place as of late 2013. We recommend that this program be expanded and made mandatory. All heads of households receiving SNAP benefits should be required to attend a nutrition education class to learn skills that will assist their families in becoming healthier and better informed of the best food choices.

Changing the way a family’s benefit is determined may help cut down on some of the spending within SNAP while giving families the true benefit they should receive, while improving nutrition and health education for SNAP beneficiaries could change health outcomes and the face of the SNAP program. With small changes such as these, SNAP can become a program that provides much needed resources and assistance that will benefit needy citizens while preserving the program for future generations.

Prepared by Breanna Hicks, Savannah Murray, and Sadara Shine
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11 This requires, of course, that SNAP benefits be accepted at food outlets that provide such products. In food deserts, the USDA should support innovative programs that establish farmer’s markets and other alternative food outlets.
12 “EARS Overview,” USDA Education and Administrative Reporting System