

Stamping out Hunger

Why New York City is Falling behind in Food Stamp Registration

A Report from Public Advocate Betsy Gotbaum

Recent public attention has focused on increasing homelessness in New York City. This report reveals that New York City's low income residents are not fully participating in food stamp programs, further aggravating an already troubling situation. The federal food stamp program is an important tool in the fight against poverty that has assumed even more significance because of the five-year time limits on federally funded welfare benefits. Even as families leave welfare, they can remain eligible for food stamps, which are not time-limited. Further, food stamps are funded by the United States Department of Agriculture, not the city. In a time of municipal budget constraint, the city can help the hungry without taking on additional financial burden.

The New York City Coalition Against Hunger recently reported, "Even before September 11, more than one million low-income New Yorkers—including many working poor—were forced to depend upon food pantries and soup kitchens to feed their families." Since September 11, 71% of the city's kitchens and pantries have witnessed increasing demand (*How the City of New York Can Dramatically Reduce its Hunger*, New York City Coalition Against Hunger, June 2002). The Center on Budget and Policy Priorities reports, "Between April 2001 and April 2002, food stamp participation increased in 47 states and the District of Columbia . . . it is likely that the majority of the increase can be attributed to the economic downturn" (*Food Stamp Caseloads Are Rising*, Center on Budget and Policy Priorities, July 12, 2002). Yet even as the hunger crisis worsens, in New York City the nation's most important tool against hunger—food stamps—is underutilized.

In this report, the Public Advocate compares recent trends in food stamp use in New York City against national and statewide trends. In many other localities across the country, the use of food stamps is increasing and the program is helping to counterbalance an economic downturn. Yet in New York City, despite similar unemployment increases, food stamp use has actually declined slightly over the last year. Specifically, the rate of change in New York City's food stamp participation is compared to the rate of nine other U.S. cities with populations over 650,000. The ten cities examined are:

- Austin, TX
- Chicago, IL
- Dallas, TX
- Detroit, MI
- Houston, TX
- Indianapolis, IN
- Los Angeles, CA
- New York City, NY
- San Antonio, TX
- San Francisco, CA

The report also compares food stamp use in New York City with other counties in New York State.

- Albany
- Erie (Buffalo)
- Monroe (Rochester)
- Onondaga (Syracuse)
- Westchester (Yonkers)

Funded and administered by the United States Department of Agriculture, the federal food stamp program is a social service that does not drain New York City's tight budget. The Public Advocate believes the food stamp program must be made central to addressing hunger in New York City by implementing strategies that have been successful elsewhere in increasing awareness and use of food stamps among those in need.

I. TEN CITY COMPARISON (Table 1)

Most states have increased their food stamp participation rates in the last year. In April 2002, the last month for which data are available, 19.1 million people participated in the food stamp program nationwide, an increase of 2.3 million since July 2000 (*Food Stamp Caseloads Are Rising*, July 12, 2002).

The Public Advocate found similar results in nine of the major cities in the study group (see Table 1). Between June 2001 and June 2002, food stamp participation increased in every city except New York. In Dallas and Austin, food stamp participation increased by more than 30%. In San Francisco, Indianapolis, Detroit, Houston and San Antonio, participation increased by more than 10%. New York City is alone in witnessing a decrease—2%.

There are two possible reasons for the nationwide rise in food stamp participation rates. First, food stamp participation is cyclical: in a strong economy, participation rates decrease, while in a weak economy, participation tends to rise. Second, as state and municipal governments have begun to recognize the role that food stamps can play in helping people through the transition from welfare to work, policies have been implemented that increase participation.

Second, it is possible that the decrease in food stamp participation in New York is due to the City's success in reducing the welfare rolls by 9% from January and July 2002—from 459,056 to 418,277—“a level not seen since January 1965” (*Daily News*, August 21, 2002). Numerous studies show a correlation between welfare recipients leaving the rolls and an end to their participation in the food stamp program. The U.S. Department of Health and Human Services Office for Planning and Evaluation found that “over the first year after exit, the majority of studies show some decline in food stamp receipt” (Hayes,

Louise, *Food Stamps for Working Families: Issues and Options*, Food Research and Action Center, April 2002). While welfare recipients are not the only eligible users of food stamps, a reduction in welfare recipients is a plausible explanation for the decrease in participation rates in New York City.

Yet food stamps can be a powerful transitional tool for helping families move from welfare to work. New York State is the first in the country to be granted the opportunity to operate the Transitional Benefit Alternative program (TBA), a federally-funded program that automatically extends food stamp benefits for three months to families leaving welfare. TBA became effective in New York City and the rest of the state on December 1, 2001. In the course of preparing this report, the Public Advocate has learned from anecdotal evidence that many offices throughout the city do not inform former welfare recipients that they are still entitled to food stamps under TBA.

II. COMPARISONS WITHIN NEW YORK STATE (Table 2)

New York State's food stamp participation level is currently one of the lowest in the country (*Food Stamp Caseloads Are Rising*, July 12, 2002). From June 2001 to June 2002, food stamp participation in the state increased only by 1.9%, in stark contrast to states like Nevada, which saw a 43% increase. New York City contributes significantly to the state's low participation rates. In fact, New York City not only has the lowest increase in food stamp participation of the 10 cities surveyed nationwide, but also of all New York State counties examined in this report. In addition to New York City, the following counties—each with major urban centers—were examined:

- Albany
- Erie (Buffalo)
- Monroe (Rochester)
- Onondaga (Syracuse)
- Westchester (Yonkers)

If New York City is excluded from the calculation, the food stamp participation rate for the rest of the state (from June 2001 to June 2002) rises by 8.6%. Food stamp participation increased by 10% in two of the five counties studied within New York State: 10.2% in Monroe and 12.2% in Onondaga (see Chart 2). In the remaining counties, Albany showed an increase of 4.5%, Westchester 3.5% and Erie 2.7%. New York City is the only locality to show a decrease in food stamp participation.

III. UNEMPLOYMENT AND FOOD STAMPS (Tables 3 and 4)

Recent studies of food stamp participation demonstrate that economic downturns and unemployment generally lead to an increase in food stamp participation. While not all unemployed citizens are eligible for food stamps, loss of employment and income do

make many families eligible for the food stamp program. The lack of correlation between unemployment and food stamp participation in New York—as compared to its state and national counterparts—is cause for concern.

New York City has experienced a 40% increase in its unemployment rate during the period examined by this study, second only to Indianapolis and Dallas (of the 10 cities examined nationwide), both of which show significant increases in food stamp participation (see Table 3).

Within New York State, New York City has both the highest percentage change in unemployment and the greatest decrease in food stamp participation. During the same period, Onondaga (Syracuse) had a 23.1% increase in unemployment and a 12.2% increase in food stamp participation (see Table 4). Similarly, Monroe County (Rochester) had the second highest percent increase in unemployment at 30.2% and the second highest increase in utilization of food stamps at 10.2%. It is the view of the Public Advocate that New York City's food stamp participation should be on par with or exceed these other jurisdictions.

IV. IMPLEMENTATION OF THE FOOD STAMP PROGRAM IN NEW YORK CITY

Why are food stamp participation levels increasing in five New York State counties and nine other major urban centers nationwide while decreasing in New York City? The differences can be ascribed to local variations in leadership and manner of implementing state policies; the extent to which offices are open during evenings and weekends; and the efficiency with which agencies are able to serve families (Fishman, Michael, and Beebout, Harold, *Support for Working Poor Families: A New Approach*, December 2001). Procedures in social service centers that discourage food stamp registration, left over from the previous administration, may also contribute to the City's low participation levels.

To determine the extent to which the manner of implementation of the program in New York City contributes to the continuing decline of food stamp receipt, the Public Advocate looked at policies on eligibility, the application process, outreach efforts, and accessibility. The analysis suggests that administrative and policy changes could help increase rates of food stamp use by eligible individuals and families without incurring any cost to the city.

As of June 2002, New York City had 819,480 people enrolled in its food stamp program. Yet according to the 2000 Census 1.6 million people in New York City live below the poverty line, leaving about 800,000 potentially eligible New Yorkers out of the food stamp program. The Public Advocate believes that the City must work harder to ensure that no New Yorkers go hungry, and makes the following recommendations to the Human Resources Administration, which is responsible for implementing the federally-funded food stamp program:

RECOMMENDATIONS OF THE PUBLIC ADVOCATE

1. New York City's Current Practice: Providing city residents who want to enroll in the food stamp program with a 16-page application.

Recommendation: Reduce red tape of application process

Food stamp experts say that potential food stamp clients view the program's extensive application as a barrier to enrollment. Efforts have been made in the state of California and in Onondaga County, New York, to shorten applications. California has shortened its application to three pages; Onondaga County has reduced the length of its application to four pages. (See attached New York State application.)

The Public Advocate recommends that New York City follow the trend of significantly decreasing the complexity of food stamp application.

2. New York City's Current Practice: Providing food stamps for only 3 months in a 36-month period for non-disabled, income-eligible individuals who are between the ages of 18 and 50, live in households without children and do not meet federal work requirements.

Recommendation: Consider implementing the ABAWD waiver

The 1996 federal welfare law created a new class of potential food stamp recipients called Able-Bodied Adults Without Dependent Children (ABAWDs). This group includes non-disabled individuals between the ages of 18 and 50 living in households without children. People in this class who do not meet federal work requirements are currently eligible to receive food stamps for only a 3-months period in any 36-month period. New York State has received a waiver from United States Department of Agriculture to extend the three-month limit for applicants in certain counties with high unemployment rates. New York City, though eligible for exemption, has declined the waiver despite the fact that this would cost the city nothing

The Public Advocate recommends the City reconsider accepting the waiver in order to extend the eligibility of this population.

3. New York City's Current Practice: Providing extended office hours in only three of its twenty food stamp offices.

Recommendation: Ease access for working families

The Public Advocate's office finds only three of twenty Human Resources Administration food stamps sites open until six p.m. on weekdays and Saturdays. More flexible hours would help many of the city's working poor take advantage of the program.

The Public Advocate recommends that the City explore increasing the number of food stamp offices that offer extended or flexible hours.

4. New York City's Current Practice: Providing funds for food stamp outreach to a single nonprofit group.

Recommendation: Partner with more nonprofit groups on food stamp outreach and enrollment.

The City could better use existing federal funds to help nonprofits and religious organizations inform eligible individuals and families about the food stamp program. At present, the Human Resources Administration funds only one nonprofit group to conduct outreach, prescreening and training. In order to increase participation, it is important that nonprofit groups are authorized not only to increase outreach but also to enroll participants in the program. The Public Advocate's Office recommends that HRA increase the number of nonprofits providing outreach services and authorize them to enroll eligible applicants in the food stamp program.

APPENDIX

TABLE 1
U.S. CITIES: FOOD STAMP UTILIZATION PERCENTAGE CHANGE

City	Total Food Stamp Recipients June 2001	Total Food Stamp Recipients June 2002	Percentage Change
New York City	836,158	819,480	- 2%
Los Angeles	659,668	693,056	+5.1%
Chicago	422,445	443,795	+5.1%
Houston	152,872	176,842	+15.7%
Dallas	84,596	110,403	+30.5%
San Antonio	108,716	124,330	+14.4%
Detroit	232,878	256,411	+10.1%
Indianapolis	69,793	82,500	+18.2%
San Francisco	22,237	26,348	+18.5%

TABLE 2
NEW YORK STATE: FOOD STAMP UTILIZATION CHANGE

City	Total Food Stamp Recipients June 2001	Total Food Stamp Recipients June 2002	Percentage Change
New York City	836,158	819,480	-2.0%
Rest of State	488,797	531,014	+8.6%
Syracuse (Onondaga)	28,054	31,475	+12.2%
Rochester (Monroe)	55,104	60,738	+10.2%
Albany (Albany)	16,932	17,702	+4.5%
Yonkers (Westchester)	30,506	31,576	+3.5%
Buffalo (Erie)	72,710	74,683	+2.7%

TABLE 3
U.S. CITIES: UNEMPLOYMENT RATE PERCENTAGE CHANGE

City	Unemployment Rate June 2001	Unemployment Rate June 2002	Percentage Change
New York City	5.0%	7.0%	40%
Los Angeles	5.7%	7.1%	24.6%
Chicago	5.5%	6.9%	25.5%
Houston	5.2%	6.5%	25%
Dallas	5.3%	7.5%	41.5%
San Antonio	4.5%	5.6%	24.4%
Detroit	5.3%	6.8%	28.3%
Indianapolis	3.2%	4.6%	43.7%
San Francisco	4.0%	5.5%	37.5%
Austin	4.5%	6.0%	33.3%

TABLE 4
NEW YORK STATE: UNEMPLOYMENT RATE PERCENTAGE CHANGE

City	Unemployment Rate June 2001	Unemployment Rate June 2002	Percentage Change
New York City	5.0	7.0	40%
Syracuse (Onondaga)	3.9	4.8	23.1%
Rochester (Monroe)	4.3	5.6	30.2%
Albany (Albany)	2.5	2.9	16%
Yonkers (Westchester)	3.4	4.2	23.5%
Buffalo (Erie)	5.1	5.6	9.8%