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Testimony for the Committee on Agriculture's Sub-Committee on
Department Operations, Oversight, Nutrition and Forestry

On the Short and Long Term Effects of Hunger In America

Provided by George Manalo-LeClair of California Food Policy Advocates

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Good Morning, Mr. Chair and Members of the Committee.

My name is George Manalo-LeClair and I am Senior Legislative Director for California Food Policy Advocates. CFPA is a statewide public policy and advocacy organization whose mission is to improve access to nutritious and affordable food for low-income Californians.

I appreciate the opportunity to testify today, as California has much to offer to this committee's consideration of the short and long term effects of hunger in America.

First, we have undertaken the largest statewide health survey in the country and found the problem of food insecurity is enormous in scope and impact.

Second, as our state has sought to address the problem, policymakers have acknowledged and quantified the contribution that Food Stamp Program benefits make, not only to families, but also to our state and local economies.

Third, building upon this economic benefit, I'd like to make a request for swift action to provide California residents immediate relief in these tough times.

Food Insecurity in California

Let's start with the problem of food insecurity in California. Though California has been number one in food and agriculture production in the U.S. for more than fifty years, we have millions of people struggling to put food on the table. We know this because in 2001, and biennially since, the University of California has conducted a large scale, statewide study, called the California Health Interview Survey (CHIS), to assess a broad range of health conditions, including food insecurity.

CHIS has been a massive and reliable effort. CHIS is the largest state health survey and one of the largest health surveys in the country. Because of its large sample size, with over 50,000 households interviewed, it generates statistically significant findings for the entire state and for most of our 58 counties. This biennial survey is conducted by the University of California at Los Angeles in collaboration with the California Department of Public Health, the Department of Health Care Services and the Public Health Institute.

UCLA publishes the food insecurity findings every two years. I have been a co-author of this research since its inception and have participated in each biennial release.

At first, the scope of the food-insecurity problem seemed unbelievably large, but over time the results have painted a consistent picture. According to the most recent CHIS release in 2007, approximately 2.5 million low-income adults in California struggle to put food on the table¹. But this figure doesn't capture the full extent of the problem since this survey measures food insecurity only among adults. We know that these adults are not alone in their struggles, and we know that despite their best efforts, parents aren't always able to shield their kids from the consequences of hunger and food insecurity. Before I quantify the full dimension of this comprehensive understanding of how food insecurity affects real households, let me give you an example of one parent's attempt to protect her children.

Several years ago I met a woman who was in a culinary training program in our state's prosperous Silicon Valley. Money was really tight for her and despite working around food all day, she just did not have enough to provide for her family. At the dinner table she'd be hungry, but there wasn't always enough food for her children and for her. So to keep herself from taking food from her children, she'd pour herself a big glass of water. And then another. And sometimes another so that she would fool herself into feeling full and not be tempted to take food that would otherwise go to the children.

Not all parents are this successful in shielding their children. Based on the CHIS data, more than 7.5 million other people living with these adults also experience food insecurity. Given that these households share dinner tables, in many cases they must

¹ UCLA Food Insecurity Brief, June 2007. <http://www.healthpolicy.ucla.edu/pubs/publication.asp?pubID=225>

also share in their struggles with food. Understood this way, over 9 million people in California – perhaps a quarter of the population – are being affected by these struggles².

The wealth of data provided by the CHIS survey presents a surprising snapshot of who is hungry in the state:

- In California, hard work is no guarantee against hunger; the majority of households experiencing food insecurity are employed. Low wages and high rents mean many working families don't always have enough resources for food.
- In California, hunger does not discriminate. Food insecurity affects people of many races, though Latinos and African-Americans experience it at higher rates. Immigrants are among the hardest hit.
- Food insecurity in California also knows no boundaries as it is prevalent in all 58 counties. But some communities are hit much harder than others. It is ironic that the counties with the greatest agricultural production also have the greatest percentage of their population struggling with food.

Families with children are much more likely than families without children to struggle to put food on the table in California.

² Shared Tables, Shared Struggles. CFPA. November 2007. [http://www.cfpa.net/press/shared 2007/shared tables shared struggles 2007.pdf](http://www.cfpa.net/press/shared%202007/shared%20tables%20shared%20struggles%202007.pdf)

Consequences of Food Insecurity in California

It is clear that those lacking consistent access to adequate food suffer profound consequences. Other panelists today are going to go into greater detail on the health, employment and academic consequences of food insecurity. I'd also like to acknowledge the connections we have seen and measured, most notably that children in very low food-insecure households miss more school and do less well academically. And that those adults with food insecurity who experience health problems, such as diabetes and other obesity related conditions, have significantly more complications, more hospitalizations and more trips to the emergency room because of their food insecurity. One challenging finding is that in California those experiencing food insecurity are more likely to be overweight or obese. The remarkably steep price tag of obesity to our state – and the nation -- is well documented.³

Addressing the Problem

The common factor among all of these struggling Californians is a lack of income. Policy action to increase wages, to make housing more affordable, and to adequately provide supports for the working poor like child care and health care would go a very long way to address the problem.

³ The Economic Costs Of Physical Inactivity, Obesity, And Overweight In California Adults, State Department of Health Care Services <http://www.wellnesstaskforce.org/PDF/obese.pdf>

Short of this, we need a strong nutrition safety net. However, the CHIS data make it clear that current efforts are failing to make much progress in providing food security for low-income Californians.

Problems with Food Stamps in California

One of the most troubling findings of the California Health Interview Survey was the severe underutilization of the Food Stamp Program. More than 77 percent of those households identified as experiencing food insecurity in California who had qualifying incomes were not participating in the program. This means that essential help – that Congress put in place precisely for these people in this predicament -- is not getting to those most in need.

These CHIS findings are consistent with USDA research on food stamp participation in California. California has one of the worst food stamp participation rates in the country, and USDA estimates that over 2 million eligible Californians are not receiving food stamps⁴. If more Californians were receiving these valuable nutrition benefits, the problem of food insecurity discussed earlier would be greatly reduced.

The average monthly benefit per person in California is now just over \$100. With rising food costs, this amount falls short of providing families with an adequate diet, but it certainly could make a tremendous difference for those not currently participating. Unfortunately, a number of state and federal rules make it difficult for struggling

⁴ Reaching those in need. USDA. October 2007.

<http://www.fns.usda.gov/OANE/MENU/Published/FSP/FILES/Participation/Reaching2005.pdf>

households, especially working families, even to participate. More than 70 percent of the households eligible for food stamps in California are working households.⁵ According to USDA, California has the worst rate of food stamp participation among working people in the country. Just 35 percent of eligible working households in California participate in food stamps.⁶

When struggling working families don't get food stamps, it is not just the families that miss out but our economy as well. As CFPA's report *Lost Dollars, Empty Plates* points out, poor participation hurts our economy as well. California is passing up over \$2 billion a year in federal nutrition benefits. This money would certainly help families, but in addition it could generate close to \$4 billion annually in economic activity.

Capturing the Economic Benefits of Food Stamps to California

Policymakers in California are working to improve the reach of food stamps in our state. In response to interest from state legislators, the non-partisan Legislative Analyst's Office published a policy brief that has helped capture the economic benefits of food stamps to the state.⁷

⁵ Comparison of Participation Rates Working vs. Non-Working. CFPA. April 2001.

<http://www.cfpa.net/foodstamps/Participation/workpart.pdf>

⁶ State Participation Rates for the Working Poor. USDA.

<http://www.fns.usda.gov/OANE/MENU/Published/FSP/FILES/Participation/WorkingPoor2003.pdf>

⁷ LAO Budget Analysis Food Stamp Program.

http://www.lao.ca.gov/analysis_2004/health_ss/hss_20_foodstamps_anl04.htm

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The direct benefits of food stamps to families in our state are clear. But our analyst discovered that food stamps can also have economic benefits for our state and local economies. Under this analysis, food stamp dollars can lead to increased spending on taxable items. Though food is not taxed in our state and food stamp law prohibits taxes on food stamp purchases, increased food stamp funding nonetheless can actually increase state general fund revenues. This is so because when families get food stamps there is indeed increased spending on food but, in addition, resources are freed up in tight family budgets to be spent on taxable items such as clothes and shoes. Under this so-called "premise," this food stamp infusion generates about 45% of the value of the food stamps in taxable activity. With a state share of the sales tax pegged at 5%, one can see that increased food stamp spending can have a significant and positive impact on our state's strained general fund. And, because local communities receive a share of sales tax revenues (and in many cases add on to the sales tax), there are significant benefits from increased food stamp participation for local jurisdictions as well.

While this analysis falls short of the standard of peer-reviewed research, it is nonetheless embraced by the legislature, the Schwarzenegger Administration and advocates. Recognizing this, this analysis deserves further considerations and the Food Stamp Program deserves further investment. If Food Stamp Program participation were maximized in California, our state and counties could realize over \$70 million a year in increased revenues. Given our state's fiscal crisis, we can use all the help we can get.

Taking Action

Recent Progress

Some help is already on the way, thanks to changes in the recently passed Farm Bill. We want to thank the Chair and members for your efforts to improve food stamps. The actions taken will help stop the erosion of food stamp benefits, will provide additional relief for working families with high child care costs, and help remove several disincentives to savings and asset development.

California stands to be a big winner with these changes. Support for nutrition will increase by an estimated \$700 million dollars over the next five years. More than 800,000 California residents will feel these benefits.

While we are very grateful for this new investment, given the scope of the problem we are compelled to ask for additional action. We need to bring benefits to those struggling families who aren't participating in food stamps and we need to improve benefits for those that are. California needs a combination of actions which:

1. Simplify the program and improve access for working people who often can't complete program requirements because of work commitments.
2. Increase benefits not only to address rising food costs and to better support a healthy diet but also to better offset the 'costs' of participating in food stamps (long waits, lots of paperwork, many trips to the food stamp office) to families.

3. Extend aid to populations whose participation in food stamps is currently limited, such as legal immigrants and childless adults.

Congressional proposals already exist which would continue the progress already made by the Farm Bill and help families meet the demands of rising food prices. There are a number of provisions from the Chair's "*Nourish Act*" that were not incorporated in the Farm Bill that would help – most notably a restoration of benefits to legal immigrants who are currently denied help. The McGovern-Emerson "*Feeding America's Families Act*" has additional provisions, which if enacted would further improve benefits, help vulnerable childless adults, and further support savings and asset development. If Congress were to enact the provisions found in these two pieces of legislation, the pain of hunger would be lessened in our state.

A New Opportunity to Help Struggling Families and Our Economy

We will soon have an updated picture of the problem of food insecurity, as a new round of health survey data has been collected for the next CHIS report. Though updated, it still won't capture the most recent impacts of rising food and gas prices and other struggles. Our state legislature recently convened hearings on the topic and it was clear things were getting worse for low-income residents: Average gas prices over \$4.51 a gallon. Double digit increases for basic foods like bread and eggs. There have been increased demands for emergency food and food stamps. More needs to be done.

Our state economy needs help, too. We have an enormous budget shortfall – currently estimated at more than \$15 billion. Unemployment is rising with preliminary estimates

for June of a 6.9% unemployment rate. And we have been hit hard by the mortgage and lending crisis.

A short-term boost in food stamp benefits could help our struggling families and our struggling economy. The annual adjustment in food stamp benefits scheduled for October 1st will fall well short of providing what struggling families need for a bare-bones diet. Because the data used to calculate these benefit levels is already out of date, the new increase – on the day it is delivered --may already be more than \$40 a month less than what a family of four needs to purchase a minimally adequate diet. Given this forecast, swift action is needed.

We are pleased to hear that Speaker Pelosi is considering including food stamps in an economic recovery package. We strongly support efforts to provide a temporary boost in basic food stamp benefit levels to help people afford a basic healthy diet. We would welcome the opportunity to help the Committee shape such a package -- its passage would minimize hunger by giving families a boost to meet these rising demands.

We also need this boost to help our state's struggling economy.

Given the importance of agriculture and the food industry to our state's economy, such action would go a long way in improving our fiscal situation. We hope that any new stimulus package would include this much-needed economic spark.

Thank you for your consideration.