

Background

This report provides a comprehensive picture of individuals' patterns of participation in the Food Stamp Program (FSP) during 2001-2003, a period of steady caseload growth. Based on data from the Survey of Income and Program Participation (SIPP), the research explores reasons that individuals enter and leave the FSP, how long they stay on the program, whether they return to the program after exiting, and what factors distinguish those who make greater use of the FSP than others. The research also examines whether participation patterns in 2001-2003 changed from patterns in the 1990s.

Findings

Participants tend to enter and leave the program relatively frequently. From 2001 to 2003, half of all individuals who entered the FSP stayed 8 months or less and 61 percent exited within 1 year. Of those who left the FSP, 45 percent re-entered the FSP within a year after their exit.

In any specific month, most participants have been on the program for longer periods. Half of those receiving benefits in May 2001 were on the FSP for 4 years or more, and most of those long-term recipients had been on the program for more than 8 years.

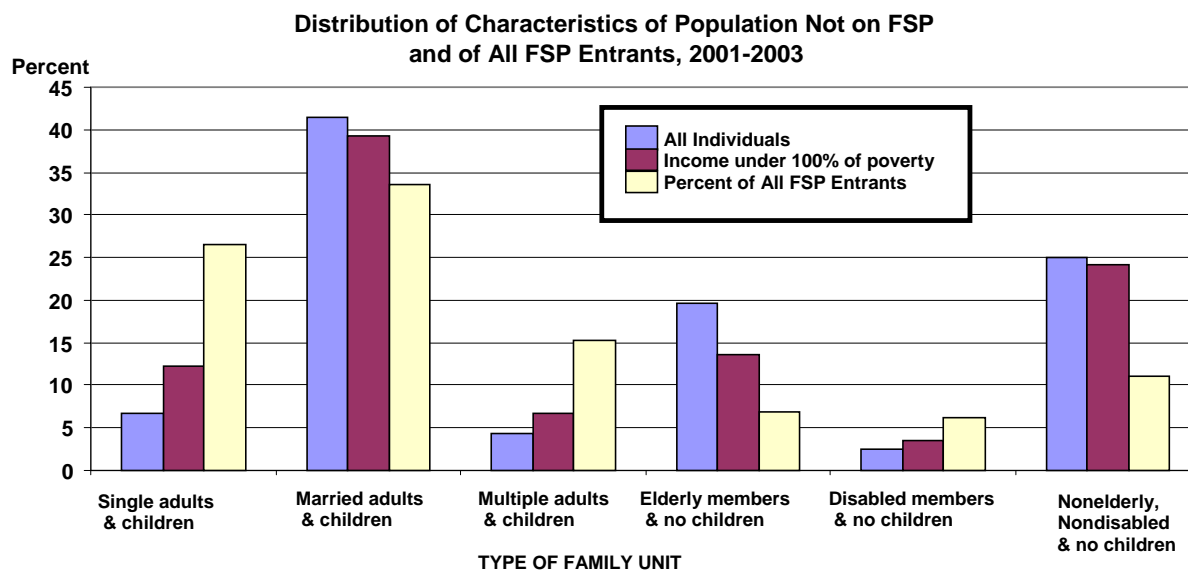
The program serves substantially more people over the course of a year than it does in an average month. The average annual turnover rate between 2001 and 2003 was 1.5, indicating that half again as many people received food stamp benefits during the year compared to the number who received benefits in an average month. The turnover rate of 1.5 for these years represents an increase from the rate of 1.3 in the early 1990s.

Most individuals enter and leave the FSP after a substantial change in household income, mostly in earnings, although other factors are also important. Among entrants, over half experienced an earnings decrease 4 months prior to FSP participation and about one-quarter experienced decreases in other income. Changes in family composition, such as the gain or loss of a family member, though less common among participants than income changes, are strongly associated with FSP entries and exits. Most participants had multiple changes in circumstances shortly before they entered or exited the FSP.

Loss of employment increases the likelihood of FSP participation. Further, this event is more likely to trigger entry into the FSP by individuals with more stable employment than those with a history of unemployment. Individuals more accustomed to employment changes were also more likely to leave the FSP after becoming employed or increasing family income.

Certain individuals are more likely to participate in the FSP:

- Single adults and their children are more likely to enter the program whereas, able-bodied prime-age adults with no children are the least likely to enter.
- Individuals age 18 to 59 are about three times more likely to enter than elderly individuals, and entry rates for those under age 18 are even higher.
- Individuals who have received food stamps previously are much more likely to participate than those who have never received benefits.
- Individuals in families in which no member has a high school degree are more than twice as likely to receive food stamps as those in families with at least one high school graduate.



Except for elderly persons, individuals who are more likely to enter the FSP also tend to stay on the FSP for longer durations and return more quickly. Elderly individuals participate at lower rates but stay on the FSP for long durations.

Spell durations of FSP entrants in the early 2000s were similar to those in the early 1990s although fewer entrants continued to receive benefits after 2 years.

- Half of all persons who started receiving benefits in the early 1990s exited within 9 months, and one in three continued to receive benefits after 2 years.
- From 2001 to 2003, half of all entries were completed within 8 months and one in four continued to receive benefits after 2 years.

The program, however, served fewer long-term participants and more participants with repeated spells in the early 2000s than in the early 1990s.

- Among those on the program at a point in time, the median spell length decreased from more than 8 years in the early 1990s to 4.5 years in the mid to late 1990s and to 4 years in 2001-2003.

- Nearly two-thirds of participants had multiple spells in the early 2000s compared to about half in the early 1990s.

Data Source

The 2001 panel of the Survey of Income and Program Participation (SIPP) is a nationally representative, short-term longitudinal survey that collects detailed monthly data on family and household composition, labor force activity, earned and unearned income, and cash and non-cash assistance. It consists of approximately 35,000 households that are interviewed every 4 months over a 3-year period. Additional information on past history of employment and program participation is collected for individuals who are interviewed in the first 4 months of the survey.

For More Information

Cody, Scott, Laura A. Castner, James Mabli, and Julie Sykes. *Dynamics of Food Stamp Program Participation, 2001-2003*. Prepared by Mathematica Policy Research, Inc., for the Food and Nutrition Service. November 2007. (Available on-line at www.fns.usda.gov/fns)

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