

CHARACTERISTICS OF FOOD STAMP HOUSEHOLDS: FISCAL YEAR 2005 – SUMMARY

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Background

On average, about 25.7 million people living in 11.2 million households received food stamps in the United States each month in fiscal year 2005. Food stamp households are a diverse group. Because food stamps are available to most lowincome households with few resources, regardless of age, disability status, or family structure, recipients represent a broad cross-section of the nation's poor. This report provides information about the demographic and economic circumstances of food stamp households in fiscal The report draws on data for vear 2005. households participating in the Food Stamp Program under normal rules and thus does not include information about those who received disaster assistance after the Gulf Coast hurricanes in October 2004 and September 2005.

Findings: General Characteristics

Most food stamp recipients were children or elderly. Half (50 percent) were children and another 8 percent were age 60 or older. Workingage women represented 28 percent of the caseload, while working-age men represented 13 percent.

Many food stamp recipients worked. Nearly three out of ten (29 percent) food stamp households had earnings in 2005, and four out of ten (40 percent) participants lived in a household with earnings. For these households, earnings were the primary source of income.

The majority of food stamp households did not receive cash welfare benefits. Only 15 percent of all food stamp households received TANF benefits. Twenty-seven percent received Supplemental Security Income. Almost one quarter (23 percent) received Social Security benefits.

Food stamp households had little income. Less than 12 percent had incomes above the poverty

line, while 40 percent had incomes at or below half the poverty line. Fourteen percent had no cash income of any kind. The typical food stamp household had gross income of \$648 per month. Nearly one-fourth of monthly funds (cash income plus food stamps) available to a typical household came from food stamps.

The average food stamp household received a monthly benefit of \$209. Nearly one-third (31 percent) received the maximum benefit (\$499 for a family of four). Only 5 percent received the minimum benefit of \$10; most (89 percent) of these households contained elderly or disabled members.

Food stamp households possessed few resources. The average food stamp household possessed only about \$137 in countable resources (including the non-excluded portion of vehicles and the entire value of checking and savings accounts and other savings). Over two-thirds (70 percent) had no countable resources.

Most food stamp households were small. The average food stamp household size was 2.3, but varied considerably by household composition. Households with children were relatively large, averaging 3.3 members. Households with elderly were smaller, with an average of 1.3 members.

Findings: Changes Over Time

There have been several notable changes in the characteristics of food stamp households over the 15 years from 1990 to 2005. Some of the most striking changes are noted here.

The primary source of income among food stamp participants shifted from welfare to work. In 1990, 42 percent of all food stamp households received cash welfare benefits and only 19 percent had earnings. In 2005, only 15 percent received cash welfare, while 29 percent had earnings. The percentage of households with no cash income of any kind doubled. In 1990, 7 percent of food stamp households had zero gross income. This increased to 14 percent in 2005. Similarly, the percent of households with zero net income, who received the maximum benefit, rose from 19 percent in 1990 to 31 percent in 2005.

The average food stamp household's income remained close to 60 percent of poverty. Incomes rise slightly when participation levels decline and they fall when participation levels increase. However, the variation is small, ranging from 56 percent of poverty, when caseloads were rising rapidly in 1993, to 63 percent of poverty, when caseloads were low.

Households have gotten smaller. In 1990, the average food stamp household contained 2.6 persons. In 2005, the average had fallen to 2.3 persons. During this period, households with one person rose from 32 percent of all households to 43 percent.

The percent of participants who are children remained fairly steady. The number of children, however, rose and fell in step with overall participation. In 1990, half of participants were under age 18, the same percentage as in 2005. However, the share of households with children fell from 60 percent in 1990 to 54 percent in 2005. This is primarily due to an increase in single-person households.

The percent of participants who are elderly remained fairly steady and fluctuations in the number of elderly participants have been smaller. Factors that drove participation changes, such as the strength of the economy and welfare policies, typically did not affect the elderly as much.

For More Information

Barrett, A. (2006). *Characteristics of Food Stamp Households: Fiscal Year 2005.* Prepared by Mathematica Policy Research, Inc., for the Food and Nutrition Service (available on-line at <u>www.fns.usda.gov/oane</u>).

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