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**Food Stamp Program
Participation Rates: 2003**

July 2005

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EXECUTIVE SUMMARY

The Food Stamp Program (FSP) helps low-income individuals purchase food so that they can obtain a nutritious diet. One important measure of a program's performance is its ability to reach its target population, as indicated by the fraction of people eligible for benefits that actually participate.

Of the 37 million individuals who were eligible for food stamp benefits in an average month of 2003, 21 million individuals (56 percent) chose to participate. There were over 16 million eligible individuals who did not participate in 2003. Although the FSP serves just over half of all eligible individuals, it provides over two-thirds (65 percent) of the benefits that all eligible individuals could receive. As a result, the FSP appears to be reaching the neediest eligible individuals.

The rate of participation by demographic and economic subgroups continued to follow historical patterns in 2003. Rates were relatively high for children and individuals in the poorest households, as well as for recipients of Temporary Assistance for Needy Families (TANF), with at least three-quarters of all eligibles from these groups participating. On the other hand, less than a third of eligible elderly adults and individuals living in households with incomes above poverty participated and less than half of eligible noncitizens, citizen children living with noncitizens, and individuals in households with earnings participated.

Access to the FSP continued to expand in 2003 through the restoration of eligibility to certain noncitizens and the continued relaxation of vehicle rules. The 2002 Farm Security and Rural Investment Act restored eligibility for qualified noncitizens receiving disability benefits effective October 1, 2002, and to qualified noncitizens who have lived in the United States for over five years effective April 1, 2003. Recent expansions in vehicle rules began in 2001 and,

while a majority of states implemented changes to their vehicle rules in 2001 and 2002, a small number changed their rules during fiscal year 2003. These reforms are likely to lower participation rates in the short term for two reasons. First, it takes time for information about policy changes to make its way into communities, reach the people likely to be affected, and influence their decision to apply for benefits. In addition, the main beneficiaries of the new eligibility rules—immigrants and the working poor—tend to have lower-than-average participation rates.

Due to changes in the treatment of categorical eligibility and other technical improvements, the 2003 participation rates presented in this report are not strictly comparable with previous estimates. However, the impact of these changes is relatively small, and the direction of the trend is unaffected for the overall participation rates and most major subgroups. Nationally, the participation rate among individuals increased by about 2 percentage points between 2002 and 2003, the second annual increase after declining for seven years.

INTRODUCTION

The Food Stamp Program (FSP) helps low-income individuals purchase food so that they can obtain a nutritious diet. The number of eligible individuals served in an average month by the FSP increased from 18.7 million in fiscal year 2002 to 20.8 million participants in fiscal year 2003, an increase of over 10 percent.¹ (Two particular reasons for the increase are described later in this section.) Participation continued to rise during 2004. Most individuals are eligible for the program if their financial resources fall below certain income and asset thresholds. Not all of those who are eligible participate in the program, however. While some choose not to participate, many others are unaware that they are eligible. When eligible individuals do not participate in the FSP, they lose out on nutrition assistance that could stretch their food dollars at the grocery store and their communities lose out on the economic benefits provided by new food stamp dollars flowing into local markets.

The Government Performance and Results Act of 1993 calls for policymakers to assess the effects of programs. One important measure of a program's performance is its ability to reach its target population. The national food stamp participation rate has been a standard for assessing performance for over 15 years. The U.S. Department of Agriculture's budget request for fiscal year 2006 includes a performance target to reach 68 percent of the eligible population by 2010.

In fiscal year 2003, the participation rate for eligible individuals rose by almost two percentage points to 56 percent (Table 1).² Both the household and benefit participation rates

¹ The estimates of participants in this report exclude certain participants and thus differ from official participant counts. See the methodology section below and Appendix C for more details.

² Because of important improvements in the estimation methodology, the 2003 participation rates presented in this report should not be directly compared to the estimates in Cunyningham (2004). Comparisons can be made, however, after adjusting the 2002 rates so that they are methodologically consistent with the 2003 rates presented here. All comparisons made in this report refer to the change between the 2003 rate and the adjusted 2002 rate.

also increased two percentage points, rising to 50 percent and 65 percent, respectively.³ Participation rates began rising in 2001 after declining for seven years.

The rate of participation by demographic and economic subgroups continued to follow historical patterns in 2003. Rates were relatively high for children and individuals in the poorest households, as well as for recipients of Temporary Assistance for Needy Families (TANF), with at least three-quarters of all eligibles from these groups participating. On the other hand, less than a third of eligible elderly adults and individuals living in households with incomes above poverty participated and less than half of eligible noncitizens, citizen children living with noncitizens, and individuals in households with earnings participated.

Access to the FSP continued to expand in 2003 through the restoration of eligibility to certain noncitizens and the continued relaxation of vehicle rules. The 2002 Farm Security and Rural Investment Act restored eligibility for qualified noncitizens receiving disability benefits effective October 1, 2002, and to qualified noncitizens who have lived in the United States for over five years effective April 1, 2003.⁴ Expansions in FSP vehicle rules were gradually implemented across states throughout 2001 and 2002. Regulations implemented in January 2001 exclude vehicles with low equity from the asset test. For most remaining vehicles, only the fair market value (FMV) in excess of \$4,650 is counted towards the asset test. Additional vehicle rule expansions began in July 2001, when states were permitted to align their FSP vehicle rules with rules in place for other programs, such as TANF or child care assistance. In response to this new flexibility, states began gradually changing their vehicle rules. Additional states used broader categorical eligibility rules to exempt more households from the asset test.

³ The benefit participation rate measures the amount of benefits received as a proportion of total benefits that would be paid out if every eligible household participated.

⁴ Eligibility was restored for qualifying noncitizen children on October 1, 2003, which is beyond the time period covered in this report.

These reforms are likely to lower participation rates in the short term for two reasons. First, it takes time for information about policy changes to make its way into communities, reach the people likely to be affected, and influence their decision to apply for benefits. In addition, the main beneficiaries of the new eligibility rules—immigrants and the working poor—tend to have lower than average participation rates.

Due to changes in the treatment of categorical eligibility and other technical improvements, the 2003 participation rates presented in this report are not strictly comparable with previous estimates. However, the impact of these changes is relatively small, and the direction of the trend is unaffected for the overall participation rates and most major subgroups. These changes, along with their impact on participation rate estimates, are discussed later in this report and in Appendix C.

Along with presenting the overall 2003 participation rate, this report describes the estimation methodology employed, presents participation rates for subgroups of the eligible population, and describes historic trends in participation rates.

METHODOLOGY

The participation rates reported here rely on estimates of individuals eligible for food stamps and individuals participating in the FSP. The estimates of eligible individuals are derived from a model that uses March Current Population Survey (CPS) data to simulate FSP eligibility. The estimates of participants are based on FSP Program Operations data and FSP Quality Control (FSPQC) data. The resulting participation rates estimate the percentage of individuals who are eligible for the FSP that choose to participate in the program.⁵

⁵ See Appendix C for details on the methodology used to estimate the 2003 participation rates, including changes from previous methodologies.

The estimates presented in this report exclude certain participants. These include participants living in Guam and the Virgin Islands (excluded because the CPS does not collect data on residents in these territories), participants who received benefits in error (excluded because they are ineligible and therefore not in the denominator of the participation rate), and participants who received benefits solely through the disaster FSP (excluded because disaster assistance operates under special rules that differ from those of the regular FSP).

The estimates of participants and eligibles also do not include those individuals who are categorically eligible for the FSP through participation in noncash public assistance (PA) programs but who would fail the FSP income tests. We exclude these individuals because we lack the ability to correctly estimate the number of FSP-eligible participants of the various programs. Because of a lack of complete asset data in the FSPQC datafile, we are unable to identify individuals who are categorically eligible through noncash PA and who pass the FSP income test but fail the standard FSP asset test. As a result, these individuals are included in the participation rate numerators. To maintain consistency between the participation rate numerators and denominators, we also include this population in our estimates of eligibles.⁶

Due to important improvements in the estimation methodology, the 2003 participation rates should not be directly compared to the participation rate estimates in Cunyngnam (2004). The most significant difference is the exclusion of individuals from the numerators of the 2003 rates

⁶ We included individuals who were eligible under expanded state-level *vehicle* rules in previous estimates of eligible individuals. For the estimates presented in this report, we made a minor change in our methodology to include individuals who are eligible under state-level *asset* rules. We did this by applying Texas' and Montana's higher asset limits to all assets rather than just vehicle assets.

who are categorically eligible through noncash PA programs but do not pass the income tests. In 2003, we exclude just over 100,000 such individuals from our participation rate numerators.⁷

We made other minor improvements to our estimation methodology, including implementation of an updated SSI simulation, improvements to our modeling of undocumented noncitizens and our treatment of excluded ineligible household members, and a correction to the vehicle value algorithm we use as part of our asset eligibility imputation. Also, in response to changes in the FSPQC datafile weighting methodology, we modified the way we adjust participant counts for benefits issued in error or for disasters. Finally, we had to modify our definitions of some subgroups due to changes in the FSPQC datafile.

We believe these methodological improvements had the net effect of changing the individual, household, and benefit participation rates by less than half of one percentage point each. The impact on the participation rates of most major subgroups was also relatively small. Exceptions include participation rates for nonelderly nondisabled childless adults subject to work registration and noncitizens.

FISCAL YEAR 2003 PARTICIPATION RATES

Of the 37 million individuals who were eligible for the FSP in an average month of 2003, 21 million individuals (56 percent) chose to participate. There were over 16 million eligible individuals who did not participate in 2003. Although the FSP serves just over half of eligible individuals, it provides almost two-thirds (65 percent) of the benefits that eligible individuals qualified for. As a result, the FSP appears to be reaching the most needy eligible individuals.

⁷ We were able to identify individuals who were categorically eligible and who failed the income tests through a new variable on the 2003 FSPQC datafile that flags categorically eligible households. Because this variable was not available on previous FSPQC datafiles, these individuals were included in previous estimates of participants. They were not, however, included in estimates of eligibles.

Because small households are on average less likely to participate, the household participation rate (50 percent) is slightly lower than the individual rate.

FSP participation rates vary by demographic and economic subgroup. Table 2 presents 2003 participation rates for individuals by demographic characteristics and Table 3 presents 2003 participation rates for individuals by economic characteristics of households. Table 4 presents previously estimated subgroup participation rates for 1999 – 2002. These participation rates are presented here for the reader's convenience—they were developed for Cunyningham (2004) using methodologies that differ from the current methodologies and should not be directly compared to the 2003 rates presented in Tables 2 and 3.

In 2003, 74 percent of eligible children participated in the FSP while only 28 percent of eligible elderly individuals did so (Figure 1). The participation rate for individuals in households with very low income (between 1 and 50 percent of poverty) was 93 percent, for individuals in households with earnings, 47 percent, for noncitizens, 47 percent, and for nondisabled childless adults subject to work registration, 29 percent.

The average monthly numbers of eligible and participating noncitizens increased in the second half of fiscal year 2003 after the 2002 Farm Security and Rural Investment Act restored eligibility to legal noncitizens who had been in the United States for five years or more. We estimate that the number of eligible noncitizens rose from about 1.2 million individuals in the first half of fiscal year 2003 to around 1.9 million in the second half, an increase of around 700,000. Similarly, we estimate that the number of noncitizen participants rose from 620,000 individuals in the first half of fiscal year 2003 to 790,000 in the second half, an increase of around 170,000.

HISTORIC TRENDS IN PARTICIPATION RATES

Table 5 presents estimates of participating and eligible individuals, households, and benefits along with participation rates from 1976 through 2003. Both the number of participants and the number of eligibles have been increasing since 2000. Since 2001, the number of participants has increased proportionately more than the number of eligibles, so participation rates have been rising. This continued in 2003 even as policy reforms expanded eligibility. The two most significant eligibility expansions were the continued expansion of asset rules that began in 2001 and the Farm Security and Rural Investment Act of 2002's restoration of eligibility to many legal noncitizens.

As shown in Figure 2, participation rates increased substantially in the late 1970s, leveled off in the early and mid-1980s, and then increased again through the early 1990s.⁸ After peaking in 1994, individual participation rates began a seven-year decline. This decline can be attributed to a combination of changes in the economy, program rules, trends in other public assistance programs, and the participation decisions of eligible people.⁹ Specifically, the strong economy increased job opportunities for low-income families, thus reducing eligibility for and participation in the FSP. In addition, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) reduced eligibility for many noncitizens and nonelderly nondisabled childless adults and added a new focus on moving people from welfare to work. The increased emphasis on work and the reduced TANF caseload lowered FSP participation

⁸ See Appendix Table B.1 for the change in individual participation rates from 1988 to 2002. Note that the table does not present the change in individual FSP participation rates from 2002 to 2003 because different methodologies are used to estimate the two rates.

⁹ See Appendix E for economic and policy influences on participation rates.

rates because households not receiving public assistance are less likely to participate in the FSP.¹⁰

Historically, some subgroups have had consistently high participation rates while others have had consistently low rates. Children and individuals in households receiving TANF or with very low incomes have consistently participated at higher-than-average rates. In contrast, elderly individuals, noncitizens, and individuals in households with earnings have consistently participated at lower-than-average rates.

¹⁰ Individuals who receive TANF are categorically eligible for the FSP. While most individuals who leave TANF still qualify for food stamps, that eligibility is no longer automatic. As a result, some individuals are unaware that they are still eligible for the FSP and others choose not to apply or recertify. In 2003, individuals receiving TANF were three times more likely to participate in the FSP than individuals not receiving TANF.

TABLE 1

INDIVIDUAL, HOUSEHOLD, AND BENEFIT PARTICIPATION RATES, FISCAL YEAR 2003

	Participating (000s)	Eligible (000s)	Participation Rate with 90% Confidence Interval
Individuals	20,591	37,028	55.6 +/- 1.1
Food Stamp Household Benefits	8,890	17,829	49.9 +/- 0.9
	1,707,485	2,612,492	65.4 +/- 1.6
Average Food Stamp Household Size	2.3		
Average Per Capita Benefit	\$86		

Sources: FY 2003 FSP Program Operations Data and FSPQC Data, and March 2004 CPS Data

Note: These estimates of participants differ from official participant counts. See Appendix C for details.

TABLE 2

FSP INDIVIDUAL PARTICIPATION RATES BY DEMOGRAPHIC CHARACTERISTICS, FY 2003

	Eligible Individuals (000s)	Participating ^a Individuals (000s)	Participation Rate
Individuals in All Households	37,028	20,591	55.6
Individuals by Households Size			
Small (1-2 members)	16,543	7,278	44.0
Medium (3-4 members)	12,407	8,369	67.5
Large (5 or more members)	8,078	4,944	61.2
Age of Individual			
Children	14,172	10,456	73.8
Preschool Age (0 to 4 years)	4,560	3,480	76.3
School Age (5 to 17 years)	9,612	6,976	72.6
Nonelderly Adults (18 to 59 years)	16,438	8,369	50.9
Elderly Individuals	6,417	1,765	27.5
Nondisabled Childless Adults Subject to Work Registration ^b	2,568	734	28.6
Noncitizens ^c	1,504	703	46.7
Citizen Children Living with Noncitizen Adults ^d	2,888	1,362	47.2
Individuals in Households Without Any Nondisabled Childless Adults Subject to Work Registration or Noncitizens			
	31,118	18,067	58.1
Individuals by Household Composition			
Households with Children	23,384	16,070	68.7
One Adult	9,984	9,306	93.2
Married Household Head	8,098	3,885	48.0
Other Multiple Adults	3,874	1,805	46.6
Children Only	1,429	1,074	75.2
Households without Children	13,643	4,521	33.1

Sources: FY 2003 FSP Program Operations Data and FSPQC Data, and March 2004 CPS Data

^a The estimates of participants in this report exclude certain participants and thus differ from official participant counts. See Appendix C for details.

^b Referred to as ABAWDs in previous reports, these individuals are age 18 to 49, not disabled, not living with children under age 18, and are subject to work registration. With some exceptions, these individuals must meet work requirements or face time limit on benefit receipt.

^c Noncitizens who are eligible and/or participating. This row does not include noncitizens who are outside the food stamp unit but reside in the same household.

^d Citizen children living in a household with a noncitizen adult, regardless of the FSP participation of the adult.

Note: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information.

TABLE 3

FSP INDIVIDUAL PARTICIPATION RATES BY ECONOMIC CHARACTERISTICS OF
HOUSEHOLDS, FY 2003

	Eligible Individuals (000s)	Participating ^a Individuals (000s)	Participation Rate
Individuals in All Households	37,028	20,591	55.6
Individuals by Household Income Source			
Earnings	16,869	7,996	47.4
TANF	3,804	4,785	125.8
Elderly SSI	1,264	1,167	92.3
Nonelderly SSI	3,703	3,509	94.8
Social Security	9,102	3,376	37.1
Individuals by Household Income as a Percentage of Poverty Level			
No Income	5,579	1,857	33.3
1 - 50%	7,209	6,678	92.6
51 - 100%	13,488	9,740	72.2
101 - 130%	8,760	2,212	25.2
130% or more	1,991	104	5.2
Individuals by Household Benefit as a Percentage of Maximum Benefit			
1 - 25%	8,725	2,724	31.2
26 - 50%	7,860	3,985	50.7
51 - 75%	6,742	4,824	71.6
76 - 99%	4,964	4,458	89.8
100%	8,736	4,601	52.7

Sources: FY 2003 FSP Program Operations Data and FSPQC Data, and March 2004 CPS Data

^a The estimates of participants in this report exclude certain participants and thus differ from official participant counts. See Appendix C for details.

Note: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information.

TABLE 4

PREVIOUSLY ESTIMATED FSP PARTICIPATION RATES BY SELECTED CHARACTERISTICS,
FY 1999 - FY 2002

	Participation Rates ^a			
	FY 1999	FY 2000	FY 2001	FY 2002
Individuals in All Households	56.2	55.7	53.2	53.8
Households by Size				
Small (1-2 members)	45.8	43.8	42.3	42.6
Medium (3-4 members)	67.6	68.2	62.5	64.5
Large (5 or more members)	59.6	60.4	61.5	57.3
Age of Individual				
Children	69.7	71.4	69.1	70.3
Preschool Age (0 to 4 years)	76.5	73.3	71.1	72.4
School Age (5 to 17 years)	66.9	70.5	68.2	69.3
Nonelderly Adults (18 to 59 years)	52.9	51.9	49.1	49.9
Elderly Individuals	31.1	30.3	28.1	26.9
Individuals by Household Composition				
Households with Children	67.0	68.0	64.7	65.4
One Adult	94.3	96.5	93.8	96.1
Married Household Head	49.4	49.6	44.1	44.7
Other Multiple Adults	42.4	39.5	41.4	39.2
Children Only	39.5	47.3	46.3	56.5
Households without Children	35.1	34.2	32.9	33.2
Individuals by Household Income Source				
Earnings	43.2	46.0	45.7	46.1
TANF	149.7	153.1	166.2	167.9
Elderly SSI	91.8	90.1	80.5	88.0
Nonelderly SSI	92.9	93.3	88.3	97.0
Individuals by Household Income as a Percentage of Poverty Level				
No Income	30.1	28.3	27.7	30.3
1 to 50%	85.5	85.1	84.9	92.4
51 to 100%	73.2	74.3	70.7	68.6
101 to 130%	24.1	25.8	23.7	24.8
130%+	6.9	7.5	8.2	8.3
Individuals by Household Benefit as a Percentage of Maximum Benefit				
1 to 50%	41.5	42.7	40.4	40.1
51 to 99%	82.5	83.5	79.0	78.4
100%	47.1	45.0	45.2	49.2

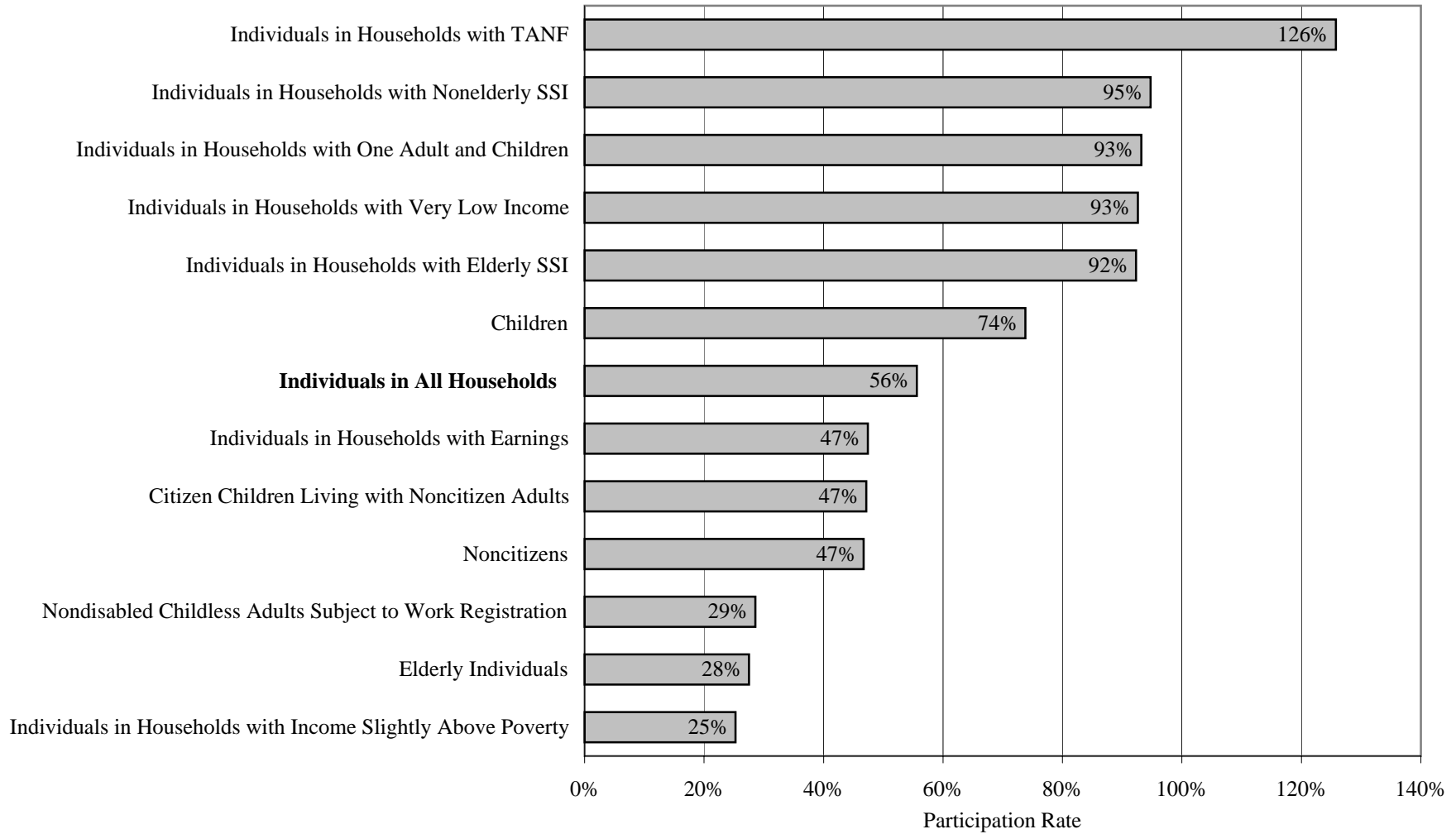
Sources: FSP Program Operations Data, FSPQC Data, and CPS Data for the years shown

^a These participation rates were developed for Cunyningham (2004) using methodologies that differ from the current methodologies and so should not be directly compared to the 2003 rates presented in Tables 1 and 2. See Appendix C for more information.

Note: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information.

FIGURE 1

INDIVIDUAL PARTICIPATION RATES BY SUBGROUP, FY 2003



Note: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information.

TABLE 5

MONTHLY NUMBER OF ELIGIBLE AND PARTICIPATING INDIVIDUALS, HOUSEHOLDS, AND BENEFITS, AND PARTICIPATION RATES, 1976 - 2003

	Eligible (000's)			Participating (000's) ^a			Participation Rates (%)		
	Individuals	Households	Benefits	Individuals	Households	Benefits	Individuals	Households	Benefits
September 1976 ^b	50,061	16,282	\$1,075,819	15,880	5,308	\$375,461	31.1	32.6	34.9
February 1978	40,175	13,984	934,427	15,387	5,286	398,066	38.3	37.8	42.6
August 1980	36,567	14,042	1,108,330	20,185	7,372	689,381	55.2	52.5	62.2
August 1982	39,364	14,538	1,352,251	20,548	7,487	785,658	52.2	51.5	58.1
August 1984	38,591	14,194	1,386,231	19,990	7,324	841,442	51.8	51.6	60.7
August 1986	40,061	15,273	1,544,833	19,069	7,102	860,472	47.6	46.5	55.7
August 1988	38,166	14,896	1,646,310	18,358	7,016	907,117	48.1	47.1	55.1
August 1990	37,631	14,523	1,905,141	20,396	7,973	1,188,808	54.2	54.9	62.4
August 1991	40,989	15,574	2,229,403	23,364	9,204	1,471,406	57.0	59.1	66.0
August 1992	43,474	16,627	2,491,671	25,759	10,238	1,749,058	59.3	61.6	70.2
August 1993	45,241	17,031	2,515,761	27,260	10,900	1,839,469	60.3	64.0	73.1
August 1994	44,327	17,040	2,473,299	27,207	11,005	1,873,953	61.4	64.6	75.8
September 1994	35,053	15,305	2,028,290	26,229	10,659	1,747,990	74.8	69.6	86.2
September 1995	34,665	14,994	2,017,983	25,213	10,374	1,751,560	72.7	69.2	86.8
September 1996	34,478	15,264	2,060,242	23,874	9,934	1,706,230	69.2	65.1	82.8
September 1997	31,818	14,692	1,913,367	20,365	8,446	1,407,148	64.0	57.5	73.5
September 1998	30,350	14,024	1,836,184	18,152	7,606	1,253,632	59.8	54.2	68.3
September 1999	29,502	13,723	1,779,829	17,081	7,280	1,199,679	57.9	53.0	67.4
FY 1999	31,528	14,503	1,876,732	17,710	7,496	1,251,475	56.2	51.7	66.7
FY 2000	29,968	14,296	1,795,209	16,705	7,157	1,192,194	55.7	50.1	66.4
FY 2001	31,783	15,162	1,986,479	16,898	7,285	1,239,291	53.2	48.0	62.4
FY 2002	34,693	16,609	2,290,877	18,656	8,023	1,450,803	53.8	48.3	63.3
FY 2003	37,028	17,829	2,612,492	20,591	8,890	1,707,485	55.6	49.9	65.4

Sources: FSP Program Operations data, FSPQC data, and March CPS data for the years shown.

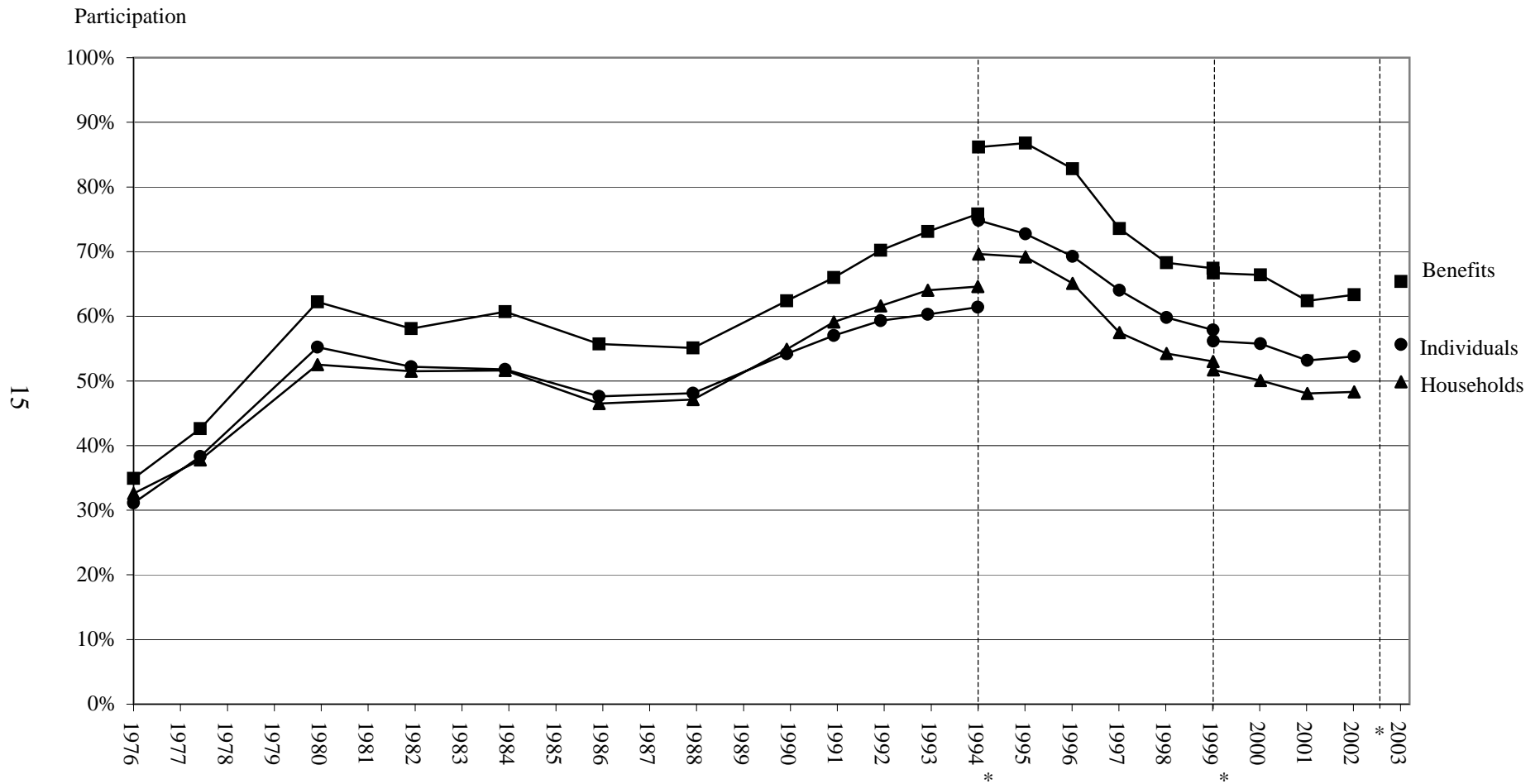
^a The estimates of participants in this report exclude certain participants and thus differ from official participant counts. See Appendix C for details.

^b The benefit rates for 1976 and 1978 are based on the net benefit (maximum benefits-purchase requirement). Hence, the benefit rates are consistent over all years.

Note: There are two estimates for both 1994 and 1999 due to revised methodologies for determining food stamp eligibility and the number of participants. The September 1976 - August 1994 estimates are methodologically consistent, as are the September 1994 - September 1999 estimates and the FY 1999 - FY 2002 estimates. Because of additional changes in methodology, the estimates for 2003 should not be directly compared to previous estimates. Please see Appendix C for details.

FIGURE 2

TRENDS IN MONTHLY FSP PARTICIPATION RATES, 1976 - 2003



Sources: FSP Program Operations data, FSPQC data, and March CPS data for the years shown.

*There are breaks in the time series in 1994 and 1999 and between 2002 and 2003 due to revisions in the methodology for determining eligibility.

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APPENDIX A
PARTICIPATION RATES IN FY 2003

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TABLE A.1

INDIVIDUAL, HOUSEHOLD, AND BENEFIT PARTICIPATION RATES, FISCAL YEAR 2003

	Participating (QC)	Eligible (CPS)	Participation Rate (QC/CPS)
Individuals	20,590,658	37,027,552	55.61
Food Stamp Household Benefits	8,890,044	17,828,862	49.86
Average Food Stamp Household Size	1,707,485,265	2,612,492,214	65.36
Average Per Capita Benefit	2.32		82.93

Note: These estimates of participants differ from official participant counts. See Appendix C for details.

TABLE A.2

INDIVIDUAL PARTICIPATION RATES BY HOUSEHOLD SIZE, FISCAL YEAR 2003

	Participating (QC)	Eligible (CPS)	Participation Rate (QC/CPS)
Individuals by Household Size			
1 Person	3,716,915	9,363,637	39.70
2 People	3,561,295	7,178,929	49.61
3 People	4,370,831	6,471,451	67.54
4 People	3,997,796	5,935,517	67.35
5 People	2,620,558	4,136,832	63.35
6 or More People	2,323,263	3,941,186	58.95
Individuals in All Households	20,590,658	37,027,552	55.61

Note: These estimates of participants differ from official participant counts. See Appendix C for details.

TABLE A.3

INDIVIDUAL PARTICIPATION RATES BY DEMOGRAPHIC CHARACTERISTICS, FISCAL YEAR 2003

	Participating (QC)	Eligible (CPS)	Participation Rate (QC/CPS)
Individuals in All Households	20,590,658	37,027,552	55.61
Age of Individual			
Children Under Age 18	10,456,000	14,172,165	73.78
Preschool	3,480,215	4,560,267	76.32
School-age	6,975,784	9,611,898	72.57
Adults Age 18 to 59	8,369,421	16,437,905	50.92
Elderly Age 60 and Over	1,765,238	6,417,481	27.51
Living Alone	1,263,159	3,611,731	34.97
Living with Others	502,079	2,805,750	17.89
Nondisabled Childless Adults Subject to Work Registration	733,686	2,568,233	28.57
Noncitizens	702,755	1,504,343	46.72
Citizen Children Living with Noncitizen Adults	1,362,096	2,887,621	47.17
Employment Status of Nonelderly Adults			
Employed	2,340,128	5,459,924	42.86
Not Employed	6,029,293	10,977,981	54.92
Individuals by Race/Ethnicity of Household Head			
Black or African American Only	7,053,713	10,175,199	69.32
Hispanic	3,729,579	7,901,295	47.20
White Only	8,957,530	17,383,776	51.53
Not Tabulated Above	849,836	1,567,282	54.22
Individuals by Household Composition			
Households with Children	16,070,006	23,384,197	68.72
One Adult	9,305,658	9,983,807	93.21
Married Household Head	3,885,099	8,097,562	47.98
Other Multiple Adults	1,805,438	3,873,973	46.60
Children Only	1,073,811	1,428,855	75.15
Households without Children	4,520,652	13,643,355	33.13
Gender of Individual			
Male	8,465,164	16,043,774	52.76
Female	12,125,495	20,983,778	57.79
Metropolitan Status			
Urban	15,748,864	28,663,653	54.94
Rural	4,841,794	8,363,899	57.89

Note: These estimates of participants differ from official participant counts. See Appendix C for details.

TABLE A.4

INDIVIDUAL PARTICIPATION RATES BY ECONOMIC CHARACTERISTICS OF HOUSEHOLDS, FISCAL YEAR
2003

	Participating (QC)	Eligible (CPS)	Participation Rate (QC/CPS)
Individuals in All Households	20,590,658	37,027,552	55.61
Individuals by Household Income Sources			
No Earnings	12,594,402	20,158,919	62.48
Earnings	7,996,256	16,868,633	47.40
No TANF	6,888,243	15,723,775	43.81
TANF	1,108,014	1,144,858	96.78
TANF	4,785,004	3,803,894	125.79
Unemployment Compensation	848,066	759,108	111.72
Nonelderly SSI Benefits	3,508,693	3,702,969	94.75
Elderly SSI Benefits	1,166,870	1,264,081	92.31
Social Security	3,376,369	9,102,418	37.09
Individuals by Household Income as a Percentage of Poverty Level			
Total 100% of Poverty or Less	18,274,711	26,276,511	69.55
No Income	1,857,452	5,579,240	33.29
1 - 50%	6,677,560	7,208,893	92.63
51 - 100%	9,739,699	13,488,379	72.21
Total Greater Than 100 % of Poverty	2,315,947	10,751,041	21.54
101% - 130%	2,211,863	8,760,076	25.25
131% or more	104,085	1,990,965	5.23
Individuals by Monthly Household Benefit			
\$10 or less	823,646	4,025,511	20.46
\$11 - \$25	420,291	998,403	42.10
\$26 - \$50	818,332	1,738,983	47.06
\$51 - \$75	861,066	1,834,137	46.95
\$76 - \$100	898,850	1,868,860	48.10
\$101 - \$150	2,976,142	6,928,209	42.96
\$151 - \$200	1,696,614	2,887,957	58.75
\$201 or more	12,095,717	16,745,492	72.23
Benefit as a Percentage of Maximum Benefit			
Low Benefits (1 - 50%)	6,708,411	16,585,127	40.45
1 - 25%	2,723,897	8,724,684	31.22
26 - 50%	3,984,514	7,860,444	50.69
High Benefits (51 - 99%)	9,281,554	11,705,962	79.29
51 - 75%	4,823,833	6,741,754	71.55
76 - 99%	4,457,721	4,964,208	89.80
100%	4,600,693	8,736,462	52.66

Notes: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information. These estimates of participants differ from official participant counts. See Appendix C for details.

TABLE A.5A

INDIVIDUAL PARTICIPATION RATES BY HOUSEHOLD COMPOSITION, FISCAL YEAR 2003
Households with Children

	Participating (QC)	Eligible (CPS)	Participation Rate (QC/CPS)
Individuals in Households with Children	16,070,006	23,384,197	68.72
Age of Individual			
Children Under Age 18	10,456,480	14,172,165	73.78
Adults Age 18 to 59	5,503,879	8,864,638	62.09
Elderly Age 60 and Over	109,647	347,394	31.56
Individuals by Household Income Sources			
No Income	1,184,471	3,003,931	39.43
No Earnings	8,566,890	9,325,758	91.86
Earnings	7,503,116	14,058,439	53.37
TANF	4,737,002	3,590,076	131.95
Earnings	1,102,647	1,077,559	102.33
No Earnings	3,634,354	2,512,517	144.65
No TANF	11,333,004	19,794,121	57.25
Earnings	6,400,468	12,980,880	49.31
No Earnings	4,932,536	6,813,241	72.40
Social Security	1,519,658	2,475,180	61.40
Individuals by Household Income as a Percentage of Poverty Level			
Total 100% of Poverty or Less	14,318,428	17,527,243	81.69
No Income	1,184,471	3,003,931	39.43
1 - 50%	6,099,511	5,648,687	107.98
51 - 100%	7,034,447	8,874,625	79.26
Total Greater Than 100 % of Poverty	1,751,578	5,856,955	29.91
101% - 130%	1,718,510	5,380,896	31.94
131% or more	33,068	476,059	6.95
Individuals by Household Earnings as a Percentage of Poverty Level			
Total 100% of Poverty or Less	15,130,472	19,150,834	79.01
No Earnings	8,664,019	9,314,531	93.02
1 - 50%	2,722,732	2,883,772	94.42
51 - 100%	3,743,721	6,952,531	53.85
Total Greater Than 100 % of Poverty	939,534	4,233,363	22.19
101% - 130%	935,454	4,092,187	22.86
131% or more	4,080	141,177	2.89

Notes: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information. These estimates of participants differ from official participant counts. See Appendix C for details.

TABLE A.5B

INDIVIDUAL PARTICIPATION RATES BY HOUSEHOLD COMPOSITION, FISCAL YEAR 2003
Households with One Adult and Children

	Participating (QC)	Eligible (CPS)	Participation Rate (QC/CPS)
Individuals in Households with One Adult and Children	9,305,658	9,983,807	93.21
Age of Individual			
Children Under Age 18	6,286,179	6,617,446	94.99
Adults Age 18 to 59	2,971,342	3,275,588	90.71
Elderly Age 60 and Over	45,518	90,773	50.14
Individuals by Household Income Sources			
No Income	786,573	1,708,403	46.04
No Earnings	5,782,337	5,569,667	103.82
Earnings	3,523,321	4,414,139	79.82
TANF	3,077,705	2,639,433	116.60
Earnings	563,721	666,610	84.57
No Earnings	2,513,984	1,972,823	127.43
No TANF	6,227,953	7,344,374	84.80
Earnings	2,959,600	3,747,529	78.97
No Earnings	3,268,353	3,596,845	90.87
Social Security	824,934	851,307	96.90
Individuals by Household Income as a Percentage of Poverty Level			
Total 100% of Poverty or Less	8,449,781	8,111,414	104.17
No Income	786,573	1,708,403	46.04
1 - 50%	3,977,103	3,166,205	125.61
51 - 100%	3,686,105	3,236,806	113.88
Total Greater Than 100 % of Poverty	855,878	1,872,393	45.71
101% - 130%	839,085	1,636,574	51.27
131% or more	16,792	235,819	7.12
Individuals by Household Earnings as a Percentage of Poverty Level			
Total 100% of Poverty or Less	8,911,540	8,732,345	102.05
No Earnings	5,805,949	5,569,667	104.24
1 - 50%	1,376,146	1,103,395	124.72
51 - 100%	1,729,445	2,059,283	83.98
Total Greater Than 100 % of Poverty	394,119	1,251,462	31.49
101% - 130%	391,269	1,168,396	33.49
131% or more	2,850	83,066	3.43

Notes: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information. These estimates of participants differ from official participant counts. See Appendix C for details.

TABLE A.5C

INDIVIDUAL PARTICIPATION RATES BY HOUSEHOLD COMPOSITION, FISCAL YEAR 2003
Households with Married Household Head and Children

	Participating (QC)	Eligible (CPS)	Participation Rate (QC/CPS)
Individuals in Households with Married Household Head and Children	3,885,099	8,097,562	47.98
Age of Individual			
Children Under Age 18	2,197,727	4,331,484	50.74
Adults Age 18 to 59	1,644,819	3,628,480	45.33
Elderly Age 60 and Over	42,553	137,598	30.93
Individuals by Household Income Sources			
No Income	223,736	705,429	31.72
No Earnings	1,258,964	1,999,807	62.95
Earnings	2,626,135	6,097,755	43.07
TANF	680,643	490,587	138.74
Earnings	284,496	210,865	134.92
No Earnings	396,148	279,722	141.62
No TANF	3,204,455	7,606,975	42.13
Earnings	2,341,639	5,886,890	39.78
No Earnings	862,816	1,720,085	50.16
Social Security	389,015	814,908	47.74
Individuals by Household Income as a Percentage of Poverty Level			
Total 100% of Poverty or Less	3,243,475	5,363,466	60.47
No Income	223,736	705,429	31.72
1 - 50%	1,007,839	1,246,810	80.83
51 - 100%	2,011,900	3,411,227	58.98
Total Greater Than 100 % of Poverty	641,624	2,734,096	23.47
101% - 130%	630,882	2,598,466	24.28
131% or more	10,742	135,630	7.92
Individuals by Household Earnings as a Percentage of Poverty Level			
Total 100% of Poverty or Less	3,456,336	5,975,492	57.84
No Earnings	1,276,976	1,988,581	64.22
1 - 50%	794,687	939,376	84.60
51 - 100%	1,384,673	3,047,536	45.44
Total Greater Than 100 % of Poverty	428,763	2,122,070	20.20
101% - 130%	428,095	2,076,932	20.61
131% or more	668	45,138	1.48

Notes: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information. These estimates of participants differ from official participant counts. See Appendix C for details.

TABLE A.5D

INDIVIDUAL PARTICIPATION RATES BY HOUSEHOLD COMPOSITION, FISCAL YEAR 2003
Households with Other Multiple Adults and Children

	Participating (QC)	Eligible (CPS)	Participation Rate (QC/CPS)
Individuals in Households with Other Multiple Adults and Children	1,805,438	3,873,973	46.60
Age of Individual			
Children Under Age 18	896,982	1,794,381	49.99
Adults Age 18 to 59	886,895	1,960,569	45.24
Elderly Age 60 and Over	21,561	119,023	18.12
Individuals by Household Income Sources			
No Income	81,676	392,425	20.81
No Earnings	890,559	1,350,568	65.94
Earnings	914,879	2,523,406	36.26
TANF	536,716	460,056	116.66
Earnings	161,313	200,084	80.62
No Earnings	375,403	259,972	144.40
No TANF	1,268,722	3,413,917	37.16
Earnings	753,565	2,323,322	32.43
No Earnings	515,156	1,090,595	47.24
Social Security	269,579	802,500	33.59
Individuals by Household Income as a Percentage of Poverty Level			
Total 100% of Poverty or Less	1,599,066	2,882,231	55.48
No Income	81,676	392,425	20.81
1 - 50%	655,720	869,004	75.46
51 - 100%	861,670	1,620,802	53.16
Total Greater Than 100 % of Poverty	206,372	991,742	20.81
101% - 130%	203,959	899,142	22.68
131% or more	2,413	92,600	2.61
Individuals by Household Earnings as a Percentage of Poverty Level			
Total 100% of Poverty or Less	1,707,247	3,243,804	52.63
No Earnings	899,192	1,350,568	66.58
1 - 50%	356,664	606,451	58.81
51 - 100%	451,391	1,286,785	35.08
Total Greater Than 100 % of Poverty	98,191	630,169	15.58
101% - 130%	97,992	621,478	15.77
131% or more	199	8,691	2.29

Notes: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information. These estimates of participants differ from official participant counts. See Appendix C for details.

TABLE A.5E

INDIVIDUAL PARTICIPATION RATES BY HOUSEHOLD COMPOSITION, FISCAL YEAR 2003
Households with No Children

	Participating (QC)	Eligible (CPS)	Participation Rate (QC/CPS)
Individuals in Households with No Children	4,520,652	13,643,355	33.13
Age of Individual			
Children Under Age 18	0	0	
Adults Age 18 to 59	2,865,327	7,573,268	37.83
Elderly Age 60 and Over	1,655,326	6,070,087	27.27
Individuals by Household Income Sources			
No Income	672,981	2,575,309	26.13
No Earnings	4,027,512	10,833,161	37.18
Earnings	493,141	2,810,194	17.55
TANF	48,002	213,818	22.45
Earnings	5,366	67,299	7.97
No Earnings	42,636	146,519	29.10
No TANF	4,472,651	13,429,537	33.30
Earnings	487,775	2,742,895	17.78
No Earnings	3,984,876	10,686,642	37.29
Social Security	1,856,711	6,627,239	28.02
Individuals by Household Income as a Percentage of Poverty Level			
Total 100% of Poverty or Less	3,956,283	8,749,269	45.22
No Income	672,981	2,575,309	26.13
1 - 50%	578,049	1,560,205	37.05
51 - 100%	2,705,252	4,613,754	58.63
Total Greater Than 100 % of Poverty	564,370	4,894,086	11.53
101% - 130%	493,353	3,379,180	14.60
131% or more	71,017	1,514,906	4.69
Individuals by Household Earnings as a Percentage of Poverty Level			
Total 100% of Poverty or Less	4,449,208	12,505,018	35.58
No Earnings	4,032,944	10,833,161	37.23
1 - 50%	250,871	610,139	41.12
51 - 100%	165,393	1,061,717	15.58
Total Greater Than 100 % of Poverty	71,444	1,138,337	6.28
101% - 130%	67,007	924,178	7.25
131% or more	4,437	214,159	2.07

Note: These estimates of participants differ from official participant counts. See Appendix C for details.

TABLE A.6

PARTICIPATION RATES FOR INDIVIDUALS IN HOUSEHOLDS WITHOUT ANY NONCITIZENS OR NONDISABLED CHILDLESS ADULTS SUBJECT TO WORK REGISTRATION, FISCAL YEAR 2003

	Participating (QC)	Eligible (CPS)	Participation Rate (QC/CPS)
Individuals in Households Without Any Noncitizens or Nondisabled Childless Adults Subject to Work Registration	18,066,789	31,117,932	58.06
Age of Individual			
Children Under Age 18	9,465,618	12,800,622	73.95
Adults Age 18 to 59	7,066,373	12,228,625	57.79
Elderly Age 60 and Over	1,534,798	6,088,684	25.21
Individuals by Household Composition			
One Adult and Children	8,775,911	9,483,913	92.53
Married Household Head and Children	3,168,353	6,600,969	48.00
No Children	3,629,677	10,029,397	36.19
Individuals by Household Income Sources			
Earnings	6,884,859	13,785,139	49.94
No Earnings	11,181,930	17,332,792	64.51
TANF	4,333,990	3,563,494	121.62
Individuals by Household Benefit as a Percentage of Maximum Benefit			
1 - 50%	5,946,882	14,590,361	40.76
51 - 99%	8,170,091	9,966,048	81.98

Notes: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information. These estimates of participants differ from official participant counts. See Appendix C for details.

TABLE A.7

HOUSEHOLD PARTICIPATION RATES, FISCAL YEAR 2003

	Participating (QC)	Eligible (CPS)	Participation Rate (QC/CPS)
Households with Elderly	1,606,957	5,721,754	28.09
Households with Children	4,854,451	6,948,132	69.87
Households with Disabled Nonelderly Adults	2,081,896	3,710,691	56.11
Households by Composition			
Households with Children	4,854,451	6,948,132	69.87
One Adult and Children	3,039,299	3,343,386	90.90
Married Household Head and Children	866,793	1,888,456	45.90
Other Multiple Adults and Children	434,829	875,764	49.65
Children Only	513,529	840,527	61.10
Households with No Children	4,035,593	10,880,730	37.09
Households by Income Source			
Earnings	2,514,231	6,013,405	41.81
TANF	1,524,279	1,230,493	123.88
SSI	2,520,772	2,616,154	96.35
Households with Noncitizens	489,996	1,042,951	46.98
Households with Nondisabled Childless Adults Subject to Work Registration	669,918	2,147,375	31.20
Households by Income as a Percentage of Poverty Level			
No Income	1,047,736	3,172,833	33.02
1 - 50%	2,389,361	2,907,551	82.18
51 - 100%	4,476,464	6,215,981	72.02
101% or more	976,482	5,532,497	17.65

Notes: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information. These estimates of participants differ from official participant counts. See Appendix C for details.

TABLE A.8

BENEFIT PARTICIPATION RATES, FISCAL YEAR 2003

	Participating (QC)	Eligible (CPS)	Participation Rate (QC/CPS)
Benefits for Elderly	112,470,012	370,889,103	30.32
Benefits for Children	1,353,576,723	1,732,291,465	78.14
Benefits for Disabled Nonelderly Adults	271,354,787	549,072,163	49.42
Benefits by Household Composition			
Households with Children	1,353,576,723	1,732,291,465	78.14
One Adult and Children	827,737,815	834,250,595	99.22
Married Household Head and Children	280,889,364	513,428,254	54.71
Other Multiple Adults and Children	139,928,904	255,841,163	54.69
Children Only	105,020,641	128,771,454	81.56
Households with No Children	353,908,542	880,200,748	40.21
Benefits by Household Income Source			
Earnings	579,900,649	983,897,870	58.94
TANF	419,875,292	293,070,229	143.27
SSI	279,185,800	256,674,963	108.77
Benefits for Households with Noncitizens	100,040,504	206,587,638	48.43
Benefits for Households with Nondisabled Childless Adults Subject to Work Registration	123,567,575	296,507,155	41.67
Benefits by Household Income as a Percentage of Poverty Level			
No Income	245,712,482	700,381,014	35.08
1 - 50%	747,564,911	790,640,027	94.55
51 - 100%	641,952,580	855,848,488	75.01
101% or more	72,255,292	265,622,685	27.20

Notes: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information. These estimates of participants differ from official participant counts. See Appendix C for details.

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APPENDIX B

SELECTED HISTORIC PARTICIPATION RATES

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TABLE B.1
CHANGE IN INDIVIDUAL FSP PARTICIPATION RATES
1988 - 2002

Time Period	Change in Participation Rate	Change in Participants	Change in Eligible Individuals
1988-1990	6.1 points	11.1%	-1.4%
1990-1991	2.8 points	14.6%	8.9%
1991-1992	2.3 points	10.3%	6.1%
1992-1993	1.0 points	5.8%	4.1%
1993-1994 ^a	1.1 points	-0.2%	-2.0%
1994-1995 ^a	-2.1 points	-3.9%	-1.1%
1995-1996	-3.5 points	-5.3%	-0.5%
1996-1997	-5.2 points	-14.7%	-7.7%
1997-1998	-4.2 points	-10.9%	-4.6%
1998-1999 ^b	-1.9 points	-5.9%	-2.8%
1999-2000 ^b	-0.4 points	-5.7%	-4.9%
2000-2001	-2.6 points	1.2%	6.1%
2001-2002	0.6 points	10.4%	9.2%

Sources: FSP Program Operations data, FSPQC data, and March CPS data for the years shown.

^a There are two estimates for 1994 due to revised methodologies for determining food stamp eligibility and for determining the number of participants. The original estimate is used for the change between 1993 and 1994, while the revised estimate is used for the change between 1994 and 1995.

^b There are two estimates for 1999 due to reweighting of the March 2000 - 2003 CPS files to Census 2000 by the Census Bureau and revised methodologies for determining food stamp eligibility. The original estimate is used for the change between 1998 and 1999, while the revised estimate is used for the change between 1999 and 2000.

Note: We do not present the change in individual FSP participation rates from 2002 to 2003 because the methodologies used to estimate the two rates differ enough that the rates should not be directly compared.

TABLE B.2

PREVIOUSLY ESTIMATED PARTICIPATION RATES FOR INDIVIDUALS IN HOUSEHOLDS WITH ONE ADULT AND CHILDREN, FY 1999 - FY 2002

	Participation Rates ^a			
	FY 1999	FY 2000	FY 2001	FY 2002
Individuals in Households with One Adult and Children	96.4	98.6	95.8	97.8
Household Income Source				
Earnings	75.3	82.9	84.8	82.8
TANF	109.3	131.8	149.5	135.7
No TANF	66.5	71.7	73.7	74.5
No Earnings	116.8	112.7	104.9	111.5
TANF	176.7	176.0	197.7	195.9
No TANF	70.4	70.3	65.0	75.6
TANF	155.7	162.9	183.8	178.3
Household Income as a Percentage of Poverty Level				
No Income	39.3	38.3	35.9	40.7
1 to 50%	119.0	121.3	126.1	136.0
51 to 100%	124.0	132.8	127.3	126.9
101 to 130%	50.9	53.3	53.3	51.1
131% or More	11.5	17.3	19.0	28.1
Household Earnings as a Percentage of Poverty Level				
No Earnings	116.8	112.7	104.9	111.5
1 to 50%	110.4	135.0	144.2	148.5
51 to 100%	75.4	84.9	84.3	82.8
101% or More	35.6	34.5	35.4	32.7

Sources: FSP Program Operations data, FSPQC data, and March CPS data for the years shown.

^a These participation rates were developed for Cunningham (2004) using methodologies that differ enough from the current methodologies that the previously estimated rates for 1999 - 2002 should not be directly compared to the 2003 rates presented in Table A.5B. See Appendix C for more information.

Note: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information.

APPENDIX C
METHODOLOGY

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APPENDIX C

The participation rates reported here rely on estimates of individuals eligible for food stamps and individuals participating in the Food Stamp Program (FSP). The estimates of eligible individuals are derived from a model that uses data from the U.S. Census Bureau's March Current Population Survey (CPS) to simulate the FSP. The estimates of participants are based on FSP Program Operations data and FSP Quality Control (FSPQC) data. The resulting participation rates estimate the percentage of individuals who are eligible for the FSP that choose to participate in the program.¹ In the first section of the appendix we provide a brief introduction to the methodologies used to estimate the number eligible for and the number participating in the FSP. Subsequent sections discuss selected items in detail.

The 2003 participation rates presented in this report differ methodologically from the 1999 – 2002 rates published in Cunyningham (2004). The primary difference is the population upon which the participation rates are based. The 2003 rates are based on a population of participants that excludes those individuals who are categorically eligible for the FSP through receipt of noncash public assistance (PA) benefits but who would fail the applicable FSP income tests. Previous participation rate estimates included these households in the numerator but not the denominator. Sections A.3 and B.1 of this appendix have more information about the issues

¹ In an average month in fiscal year 2003, about 108,000 individuals participated in the Food Distribution Program on Indian Reservations (FDPIR). Some of these individuals were income and asset eligible for the FSP, but FDPIR participants are not eligible to participate in the FSP at the same time. However, because the number of individuals who are participating in the FDPIR can be estimated only with substantial sampling and nonsampling error, they are included in the number of FSP-eligible individuals in this report. Because FDPIR participants are included in estimates of FSP eligibles, but not in estimates of FSP participants, the participation rates are slightly underestimated.

involved in modeling categorical eligibility for eligible individuals and participating individuals, respectively.

Other methodological improvements include:

- Updating the algorithms used to simulate Supplemental Security Income (SSI) in California.²
- Correcting the algorithm we use to impute vehicle values in the Survey of Income and Program Participation (SIPP)³
- Improving our methodology to account for undocumented noncitizens in the CPS.
- Improving the treatment of excluded ineligible household members from the food stamp unit, including prorating income from excluded nondisabled nonelderly childless adults, holding constant the results of the asset imputation and the net income error term when we replicate a household to exclude a household member, and confirming the head of the household once after a household member is excluded.
- Adding precision to participant weighting. In particular, we now adjust for benefits issued to households eligible only under disaster-related rules on the individual and benefit levels as well as the household level. We also now adjust for benefits issued for disasters or to ineligible households on the state level rather than the national level.

In addition to the improvements made to the methodology, we updated the CPS eligibility file as follows:

- The FSP gross income screen, net income screen, and maximum benefit amounts were updated to reflect the implementation of fiscal year 2003 FSP regulations
- The regression equation used to estimate FSP net income was updated using the fiscal year 2003 FSPQC data
- We estimated a new asset equation simulating asset rules in place in August 2003
- We modeled the new noncitizen rules implemented in October 2002 and April 2003 and higher asset limit for households containing a disabled member implemented in fiscal year 2003.

² In California, SSI recipients are ineligible for the FSP because they receive cash instead of food stamps. Since SSI is under-reported in the CPS, we obtain the most accurate estimate of eligible individuals by simulating SSI participation in California.

³ We use SIPP data to estimate the equations that impute asset eligibility.

Historically, we have used these CPS-based participation rates to estimate both the levels of and the trends in those rates. CPS-based estimates provide a good measure of trends when consistent methodologies are used, but for participation rates prior to 1994, these estimates provide biased measures of levels. The pre-1994 rates are biased downward because of limitations in the CPS data. Beginning with the report focusing on August 1995, we improved the methodology used to estimate participation rates to account for this downward bias. We thus report two participation rates for 1994: an original rate, based on the previous methodology, and a revised rate, based on the improved methodology.

We also report two participation rates for 1999. The original September 1999 rate uses methodology consistent with the rates for September 1994 – September 1998. The revised fiscal year 1999 rate is consistent with the rates for 2000 – 2002. We moved to reporting fiscal year rates beginning with the previous report in this series because the larger sample size results in smaller sampling errors for subgroup participation rates. The fiscal year 1999 rate also differs from the September 1999 rate because it is based on a revised March 2000 CPS file that was reweighted based on Census 2000 and because of minor modeling changes for forming FSP units and identifying individuals with disabilities.

In addition to CPS-based analyses, estimates based on the SIPP can be used to measure participation rates. SIPP data contain more of the information needed to estimate eligibility for the FSP, and the methodology used to estimate eligibility with SIPP data more closely replicates the actual FSP eligibility determination process. However, the SIPP data series covers a shorter period than the CPS data series, and certain types of SIPP data needed to estimate eligible individuals are available only for a limited number of years. In addition, CPS data are consistently available on a timelier basis.

Historically, the trends identified through the CPS-based data have been consistent with those identified through SIPP-based data (Figure C.1). The change in methodology implemented in the August 1995 report shifted the CPS-based rates up, so that both the trend and the level of the CPS-based rates are more in line with the SIPP-based rates.

The levels of participation rates for some subgroups are still biased, however, due to under-reporting problems in the CPS. (These problems also exist in the SIPP.) Specifically, because public assistance is under-reported in the CPS, the participation rate for food stamp households with public assistance is too high. Typically, the number of households reporting Temporary Assistance to Needy Families (TANF) receipt in the March CPS is around 75 percent of the administrative totals. The number reporting SSI receipt is also around 75 percent of the administrative totals.

The remainder of this appendix describes the methodology used to calculate the participation rates. At the end of the appendix, we include a section describing potential future improvements to our methodology.

A. DETERMINING FSP-ELIGIBLE INDIVIDUALS

The March CPS provides income and program participation information for the previous calendar year.⁴ We estimate the number of eligible individuals with a model that uses March CPS data to simulate the FSP in an average month. Although the model does not capture data specific to a particular month, it does impute monthly income for 12 individual (random) months.⁵ We average the results from all 12 simulations to produce an average monthly estimate.

⁴ A summary of changes in the March CPS over time is presented in Appendix F.

⁵ In the CPS-based estimate of eligibles, we simulate the number of months (or weeks in the case of earnings) that households typically receive various types of income, but we do not know in which months the income is received.

Because both asset and noncitizen eligibility rules changed during fiscal year 2003, we ran two sets of 12 simulations. The first set of simulations reflects rules in place near the beginning of the fiscal year and the second set reflects rules in place near the end of the fiscal year. We average the results to simulate using the earlier rules for the first six months of the year and the later rules for the second six months.

In the simulation procedure, FSP eligibility guidelines that were in effect in 2003 are applied to each household in the CPS.⁶ The FSP guidelines include unit formation rules, asset limits, and income limits. Because several types of information needed to determine FSP eligibility are missing from the CPS data, we impute some information to improve the model estimates of the number of eligible households. This estimation procedure is explained below.

1. Simulating the Composition of the Food Stamp Unit

In the FSP, the food stamp unit is based on shared living quarters and who purchases and prepares food together. While the CPS defines the dwelling unit based on shared living quarters, it does not identify who purchases and prepares food together. As a result, we simulate the formation of food stamp units within each household. For most households, we simulate all household members to be in the same food stamp unit. For some households with certain compositions (e.g., multiple family households, households with unrelated individuals, etc.) we may simulate two or more groups of people to form separate food stamp units. The probability that a household will form multiple units is based on observed rates for similar households from FSPQC data. We also use the following rules in identifying food stamp units:

- We exclude ineligible noncitizens and nondisabled nonelderly childless adults subject to work registration.

⁶ Trippe et al (1992) includes a detailed discussion of our model of the FSP eligibility process.

- We exclude SSI recipients who are not eligible for the FSP because they receive cash instead of food stamps in SSI cashout states (currently only California).⁷
- We exclude all individuals who are living in group quarters, are full-time students, or live in households headed by a member of the Armed Forces.

2. Identifying Eligible Noncitizens and Nondisabled Nonelderly Childless Adults Subject to Work Registration

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) made most noncitizens ineligible and required many nondisabled childless adults to work or face time limits on benefit receipt. However, some noncitizens remained eligible through exemptions, and more had their eligibility restored by the Agricultural Research, Extension and Education Reform Act (AREERA) of 1998 and the Farm Security and Rural Investment Act of 2002 (Farm Security Act). Likewise, some nondisabled nonelderly childless adults retained their eligibility through exemptions or by meeting the work requirements. Because the CPS does not track all of the information needed to identify eligible noncitizens and nondisabled nonelderly childless adults, we make assumptions about how many and which of these individuals remain eligible. In order to retain sample size, we implement our eligibility assumptions for these populations through weighting adjustments.⁸

⁷ Since SSI is under-reported in the CPS, we would exclude too few individuals in California, thus artificially increasing the number of eligible individuals and lowering the participation rate, if we used reported SSI. (In other states, the under-reporting may affect benefit levels, but is not as likely to affect the number of eligible individuals.) To obtain the most accurate number of eligible individuals as possible, we simulate SSI receipt in California and exclude simulated SSI recipients. For the 2003 participation rate estimates, we used an updated SSI simulation.

⁸ The weighting adjustments reflect the probability that a household of a certain composition is eligible for the FSP. For example, if a household has one noncitizen, we duplicate the record for that household. In the first copy of the record, we retain the noncitizen and multiply the household weight by the probability that the noncitizen is eligible for food stamps. In the second copy of the record, we exclude the noncitizen and multiply the household weight by the probability that the noncitizen is ineligible.

a. Identifying Eligible Noncitizens

Although some legal noncitizens remain categorically ineligible for the FSP, AREERA and the Farm Security Act restored eligibility to many noncitizens who were otherwise eligible for the FSP. In fiscal year 2003, the following noncitizens were eligible:

- Lawful permanent residents receiving government payments for disability or blindness
- Noncitizens lawfully in the United States on August 22, 1996, and currently under age 18⁹
- Noncitizens lawfully in United States and 65 or older as of August 22, 1996
- Refugees, deportees, or asylees (eligible for seven years after arrival)
- Lawful permanent residents with a military connection or who have earned or can be credited with 40 quarters of work
- Noncitizens lawfully in the United States for five years (implemented April 2003)

The CPS data distinguish between citizens and noncitizens, but do not include more detailed information such as whether a noncitizen is lawfully in the United States, is a refugee, or has permanent resident status. Since undocumented noncitizens are ineligible for the FSP, we randomly assign undocumented immigrant status to noncitizens according to estimates of the number of undocumented immigrants by state in 2002 and exclude those individuals from the food stamp unit.¹⁰

The CPS file includes information on noncitizens' year of arrival in the United States, so we use data from the Immigration and Naturalization Service to estimate the percent of noncitizens who are refugees by year of entry. Using these estimates in our 2003 eligibility determination,

⁹ Noncitizen children who arrived after August 1996 but who have not been legally in the country for five years had their eligibility restored at the beginning of fiscal year 2004.

¹⁰ Passell et al, 2004.

we assume 16 percent of noncitizens who entered the United States in 1998 or 1999, 14 percent who entered in 2000 or 2001, and 7 percent who entered in 2002 or 2003 are refugees.

We also use year-of-arrival data to determine which children and elderly noncitizens were in the United States prior to 1996 and which noncitizens have been in the country for at least five years. We allowed children and elderly noncitizens who arrived prior to 1996 to be eligible in the first half of 2003 and noncitizens who have been in the country for five years to be eligible the second half of 2003.

Because the work history and veteran status information in the CPS is insufficient for determining which individuals were eligible, we impute this information using 1997 Panel Study of Income Dynamics (PSID) data. Based on these data, we assume that of the legal noncitizens not already identified as refugees or as children or elderly noncitizens who arrived before 1996, 28 percent are eligible through work history or a military connection in the first half of 2003.¹¹

The remaining noncitizens are identified as ineligible. We exclude them, along with undocumented noncitizens, from the food stamp unit and assign a prorated portion of their income to the FSP unit. We also consider the noncitizens' assets when determining whether the unit is asset-eligible.¹²

b. Identifying Nondisabled Nonelderly Childless Adults Subject to Work Registration

Referred to as ABAWDs in past reports, these individuals are ages 18 to 49, not disabled, not living with children under age 18, and subject to work registration. With some exceptions,

¹¹ Because eligibility due to work history or a military connection applies to spouses and children as well as the qualifying noncitizen, we perform our random selection of 18 percent of noncitizens at the unit level.

¹² We made several technical improvements to the algorithms that exclude ineligible members and consider the excluded members income and assets when determining the eligibility of the remaining unit members.

these individuals must meet work requirements to participate in the FSP. If they fail to meet the work requirements, they are limited to three months of benefit receipt in any 36-month period. They may be exempt from these requirements if they live in an area with high unemployment or insufficient jobs (waiver area), participate in an employment and training program, or are covered by their state's 15 percent exemption.

We identify nondisabled nonelderly childless adults subject to work registration by looking at basic demographic characteristics in the CPS.¹³ Because we cannot determine from the CPS which of these individuals remain eligible for the FSP, we impute this information. We estimate the proportion who have not reached the time limit based on data from the SIPP and the proportion who are eligible due to the 15 percent exemption, participation in an employment and training program, or because they live in waiver areas using federal and state administrative data.¹⁴ The target proportions for nondisabled nonelderly childless adults subject to work registration who are eligible for the FSP are presented in Table C.1. Nondisabled nonelderly childless adults who are not eligible are excluded from the food stamp unit and, as with noncitizens, have a prorated portion of their income assigned to the FSP unit and their assets considered when we determine whether the unit is asset-eligible.

3. Identifying Categorically Eligible Food Stamp Units

Certain food stamp units are categorically eligible for the FSP and therefore not subject to income or asset limits. A unit is categorically eligible if all of its members receive SSI, cash or in-kind TANF benefits, or in some places, General Assistance (GA). A broader interpretation of

¹³ The population of nondisabled nonelderly childless adults subject to work registration includes some eligible noncitizens.

¹⁴ We estimate the proportion that has received no more than three months of benefits while not working, using separate estimates for current participants and for non-participants.

categorical eligibility rules implemented on November 21, 2000 requires states to confer categorical eligibility on families receiving benefits or services that are at least 50 percent funded by TANF or Maintenance of Effort (MOE) funds. States have the option of conferring categorical eligibility on families receiving benefits or services that are less than 50 percent funded by TANF/MOE. They may also confer categorical eligibility on households where one member receives the benefit or service, but the state determines that the whole household benefits. To be categorically eligible for the FSP, households that receive services or benefits from a TANF/MOE-funded program whose purpose is to prevent out-of-wedlock pregnancies or foster or strengthen marriage must have gross incomes under 200 percent of poverty.

The estimates in this report include households who are categorically eligible due to receipt of cash PA. They also include households who are categorically eligible due to receipt of noncash TANF assistance and who would pass the applicable income tests, regardless of whether they would pass the FSP asset test. However, for reasons discussed below, households who are categorically eligible through noncash TANF assistance but have incomes higher than FSP eligibility limits are not included in either the numerator or the denominator of the estimated participation rates.

Using CPS data, we can identify units in which all members receive some type of cash PA. These units are automatically eligible for the FSP program and, as mentioned above, those that qualify for a positive benefit are included in the denominator of the participation rates presented in this report.¹⁵

There are, however, significant challenges to identifying units that are categorically eligible due to the receipt of noncash PA benefits. Some states have very broad programs that provide a

¹⁵ Because of the underreporting of program participation in the CPS, we likely underestimate the number of pure public assistance units.

simple service—a TANF/MOE funded brochure on domestic violence, for example—to confer categorical eligibility on a large number of households. Other states have a wide variety of smaller programs, such as job training or after-school programs, with specific eligibility requirements for each program. While we are able to identify households who are likely eligible for some of these programs, we do not have data on which households are actually participating in the programs. For other programs we are unable to ascertain which households may be eligible. Because of these challenges, we are presenting participation rates that do not include individuals who are eligible solely through noncash TANF/MOE programs.¹⁶

Although we do not identify noncash PA recipients to include in the denominator of our participation rates, we do simulate asset-eligibility based on expanded asset rules.¹⁷ Some states expanded their asset rules by aligning their FSP vehicle rules with those from a TANF/MOE program. Other states expanded asset rules through broadly conferred categorical eligibility. We simulate asset rules implemented through either program alignment or categorical eligibility. We do this in order to be consistent with our estimates of participating households.¹⁸ As a result, both the numerator and the denominator are restricted to households that are asset-eligible based on expanded state-level asset rules and are either income-eligible or pure cash PA households.

4. Determining Income Eligibility

Non-categorically eligible food stamp units must meet income limits in order to be eligible for benefits. Food stamp units that do not contain elderly or disabled members must have a gross

¹⁶ We are examining approaches for overcoming these data limitations in future reports.

¹⁷ FSP asset rules and our asset-eligibility imputation are described below in Section A.5.

¹⁸ Because many households flagged as categorically eligible in the FY 2003 FSPQC datafile have no recorded countable assets, we are unable to identify which of these households would fail the asset test if they were not categorically eligible (Section B.1.)

income below 130 percent of the monthly poverty guidelines. There is no gross income limit for units that contain elderly or disabled members. In addition, all non-categorically eligible food stamp units must have a net income below 100 percent of the poverty guidelines.

Before determining each household's income eligibility, we estimate monthly income and household net income as follows:

- ***Estimating Monthly Income.*** The CPS database includes information on annual income, but eligibility for the FSP is determined according to monthly income. Therefore, we distribute annual income to months on the basis of patterns of income receipt shown by SIPP data and number of weeks worked shown in CPS data. We then sum the monthly income allocated to each month for each person in the household to determine each household's gross income for each month. Simply dividing annual income by 12 would underestimate the number of eligible individuals in any given month.
- ***Estimating Net Income.*** The CPS database does not include information on the expenses that are deducted from gross income to compute net income. Therefore, we model net income as a function of the household's earnings, unearned income, gross income, and geographic location for each year.¹⁹ This model is based on patterns observed in the FSPQC data. The estimated relationships (coefficients) are presented in Table C.2.

We use the food stamp gross and net income screens and the maximum benefit amounts to reflect regulations for each fiscal year. We then determine income eligibility for each household based on these regulations. These parameters, along with other FSP eligibility criteria, are presented in Table C.3.

5. Determining Asset Eligibility

To be eligible for FSP benefits, a non-categorically eligible food stamp unit must have countable assets under the applicable FSP asset limit. If the unit contains an elderly person or,

¹⁹ The net income imputation also contains a randomly generated error term. When we duplicate a food stamp unit that contains an excluded member to implement our weighting adjustments, we now hold the error term constant among all duplications of the same unit. This is an improvement over the previous methodology that allowed the error term to vary.

beginning in fiscal year 2003, a disabled person, the asset limit is \$3,000. For all other households, the asset limit is \$2,000. Since asset balances are not reported in the CPS database, we use equations estimated from our SIPP-based microsimulation model to impute the probability that income-eligible units subject to the asset test are asset-eligible and, therefore, fully eligible.

Expansions in FSP vehicle rules were gradually implemented across states throughout 2001 and 2002. Regulations implemented in January 2001 exclude from the asset test the value of vehicles with equity less than \$1,500 and the value of vehicles used to produce income, used as a home, used to transport a disabled household member, or used to carry fuel or water. In addition, for each adult household member, one vehicle not totally excluded is exempt from the equity test and instead counted at the fair market value (FMV) in excess of \$4,650. One additional vehicle per minor household member that is driven by the minor to work, school, or training is also counted at the vehicle's FMV in excess of \$4,650.

Additional vehicle rule expansions began in July 2001, when states were permitted to align their FSP vehicle rules with rules in place for other programs, such as TANF or child care assistance. In response to this new flexibility, states began gradually changing their vehicle rules. Additional states used broader categorical eligibility rules to exempt more households from the asset test. At the beginning of fiscal year 2003, all but 11 states had implemented changes in the FSP vehicle rules. By the end of fiscal year 2003, only 7 states were still using the federal vehicle rules.

To model these rule changes, we estimate asset imputation equations at two points in time. The first set of equations simulates FSP asset rules in place in November 2002 and is used to simulate the first half of 2003. The second set of equations simulates asset rules in place in

August 2003 and is used to simulate the second half of 2003. For each time period, we model 20 different vehicle rules to fully capture state-level differences.

The November 2002 equations differ slightly from the equations used in Cunnyngham (2004). We reestimated these equations primarily to correct a minor error in an algorithm in our SIPP-based microsimulation model that converts retail vehicle values to wholesale values. We also expanded the number of vehicle rules modeled to capture more nuances in state-level differences.

The unweighted counts of households in the March CPS for 1976 – 2003 are listed in Table C.4. Unweighted counts of households by their probability of being eligible in 2003 are listed in Table C.5.

B. DETERMINING THE NUMBER OF FSP PARTICIPANTS

The number of participants for the participation rate comes from the FSP Statistical Summary of Operations (Program Operations) data and the FSPQC datafile. We use these databases because FSP participation is under-reported in the CPS data. The Program Operations data provides counts of individuals and households that were issued benefits and the total dollar value of these benefits in each month. The FSPQC datafile is an edited version of the raw datafile generated by the FSP Quality Control System and contains data on the demographic and economic characteristics of a sample of participating households. The fiscal year 2003 FSPQC datafile is weighted on the unit level to match program operations counts that have been reduced to account for benefits issued to: 1) ineligible households; 2) eligible households that do not qualify for a positive benefit; and 3) households eligible only under disaster-related rules.²⁰ The FSPQC file is not weighted on the individual or benefit level, so we ratio-adjust estimates of

²⁰ Previous FSPQC datafiles were weighted on the household level to match unadjusted Program Operations counts.

eligible participating individuals and benefits to match disaster- and error-adjusted Program Operations counts of participating individuals and issued benefits.²¹ Because we adjust the Program Operations data by state and by month, our current methodology is more precise than for previous reports. To be consistent with the estimated eligible population, we also remove households in Guam and the Virgin Islands and households that are categorically eligible and not income-eligible.

For the participation rate numerators, we use the average monthly number of participants over the 12 months in the fiscal year. The sample sizes of participating households in the FSPQC datafiles are listed in Table C.6.

1. Identifying Categorically Eligible Participating Food Stamp Units

Because the 2003 FSPQC file does not contain the individual level information on TANF receipt that is needed to identify pure cash PA households, we developed a new methodology for determining program coverage.²² First, we assign coverage flags for individual programs. SSI and GA cover only the person coded with the income, whereas TANF can cover additional family members as follows:

- TANF received by the head of the unit or the head's spouse covers the unit head, spouse, and children (as identified by the relationship codes and age)
- TANF received by a child covers that child and other relatives (presumably that child's children, the grandchildren of the unit head)
- In child-only units, TANF receipt anywhere in the household covers all the children

²¹ For previous estimates, we adjusted the household weight by state and month to remove disaster-related benefits, then ratio-adjusted estimates of households, individuals, and benefits to match Program Operations data that had been ratio-adjusted for benefits issued in error or for disasters.

²² Previous FSPQC datafiles had additional person-level information on program participation.

After assigning coverage flags, we identify a unit as pure cash PA if everyone in the unit is covered by TANF, SSI, or GA or if the unit has TANF income and all adults are covered by TANF, SSI, or GA. Pure cash PA units are categorically eligible for the FSP and therefore exempt from the income and asset tests. These units still must qualify for a positive benefit.

Due to a new variable on the 2003 FSPQC datafile, we can also identify units that are categorically eligible through noncash PA programs. By applying the applicable income tests, we can determine which of these units are not income-eligible and remove them from the participation rate numerator to be consistent with our estimates of eligibles (Section A.3). However, because many of these units do not have any assets recorded on the file, we are unable to identify which of these households would fail the asset test if they were not categorically eligible. As a result, we do not remove any households from the numerator based on their assets and we also restrict the denominator to households that are asset-eligible based on expanded state-level asset rules and are either income-eligible or pure cash PA households.

2. Changes to Subgroups

Because of changes to the FSPQC datafile for fiscal year 2003, we modified the methodology used to define several subgroups:

- We are no longer able to identify specific participants who are disabled, so we do not present a participation rate for disabled nonelderly adults. We do have an algorithm to identify participating households containing a disabled member, so in Table A.7, we present the participation rate of households containing a disabled individual.
- In previous reports, we identified nondisabled nonelderly childless adults subject to work registration by using age, disability, and work registration data on the file. Because we no longer can identify disabled individuals, we now identify nondisabled nonelderly childless adults subject to work registration using the “ABAWD status” variable on the file. This is a relatively new variable, which until this year, has not been of sufficient quality and consistency to use. We believe that the use of this variable, which identifies more individuals as nondisabled nonelderly childless adults subject to work registration than our previous methodology, is a methodological improvement. Because of the change in methodology, this subgroup participation rate is not comparable to previous estimates.

- The employment status variable changed on the 2003 FSPQC datafile and we have some concerns about coding inconsistencies. As a result, we present participation rates for “employed nonelderly adults” and “not employed nonelderly adults”. The latter subgroup includes both unemployed nonelderly adults and nonelderly adults not in the labor force.
- On the 2003 FSPQC datafile, we now identify whether the agency at which a household’s food stamp application was processed was in a metropolitan, micropolitan, or rural area. For these participation rate estimates, we included micropolitan households with rural households.

C. CALCULATING FSP PARTICIPATION RATES

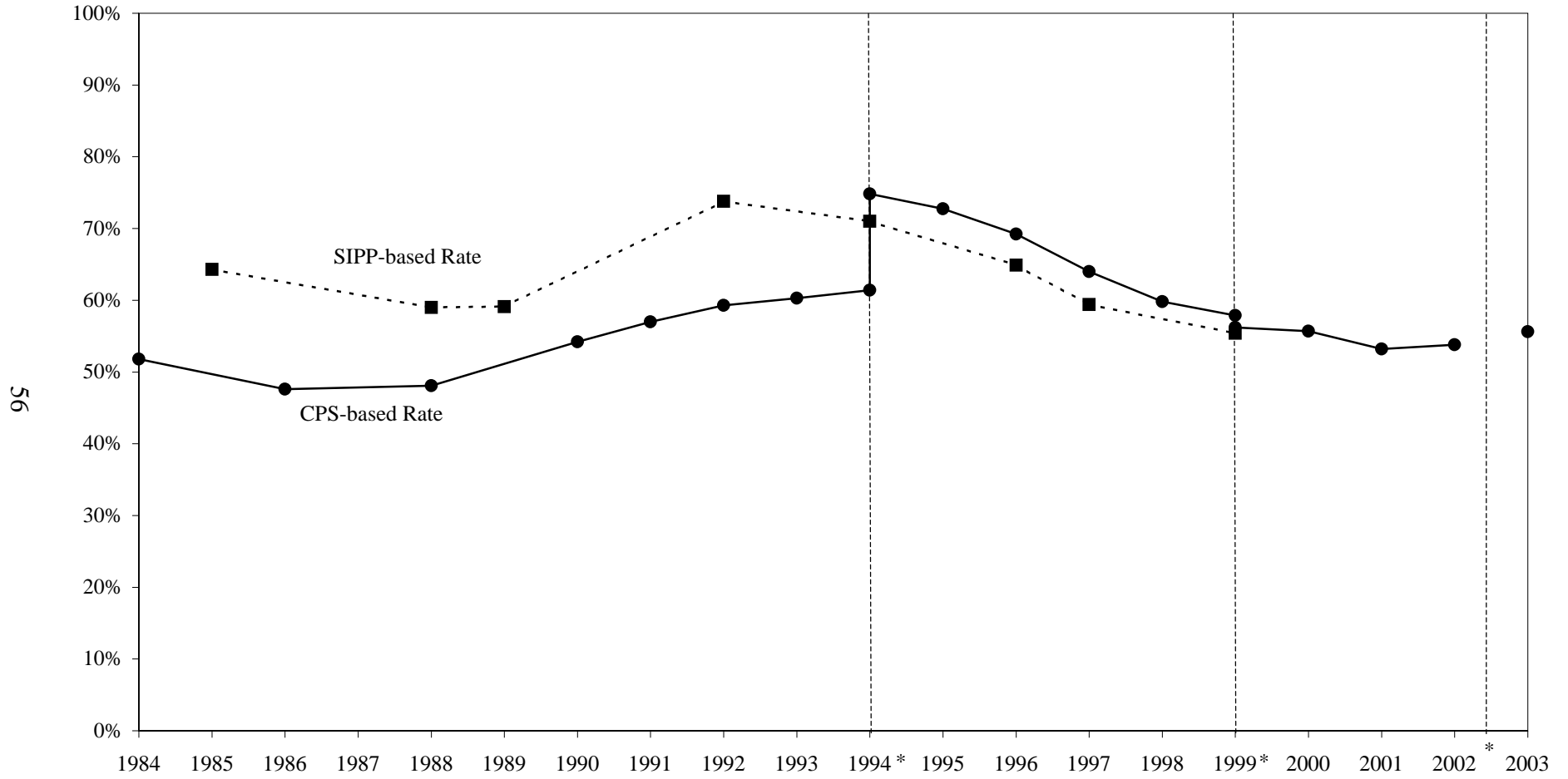
We estimate participation rates by dividing the number of participants recorded in the adjusted Program Operations data by the number of eligible individuals simulated on the basis of CPS data. The numbers of participants and eligible individuals used to calculate the 2003 participation rates are presented in Appendix A.

D. POTENTIAL FUTURE METHODOLOGICAL IMPROVEMENTS

We are currently assessing several additional methodological improvements that may be implemented for future participation rate estimates. First, as mentioned above, we continue to explore appropriate ways to identify households eligible through noncash PA. Second, we are investigating the feasibility of simulating TANF receipt in our eligibility file rather than using reported TANF receipt. We anticipate that doing so would have minimal impact on the overall number of eligible households, but would substantially increase the number of eligible households with TANF, lowering the participation rates among these households. Finally, we are examining the impact of the net income imputation in the eligibility file. Based on the results of that examination, we may respecify the net income imputation equations or develop alternative approaches for determining net income.

FIGURE C.1

TRENDS IN INDIVIDUAL PARTICIPATION RATES BY DATA SOURCE, 1984-2003



Sources: FSP Program Operations data, FSPQC data, SIPP data, and March CPS data for the years shown.

*There are breaks in the time series in 1994 and 1999 and between 2002 and 2003 due to revisions in the methodology for determining eligibility.

TABLE C.1

PERCENT OF NONDISABLED NONELDERLY CHILDLESS ADULTS SUBJECT TO WORK REGISTRATION
WHO ARE ELIGIBLE FOR THE FSP BY REASON FOR ELIGIBILITY, 2003

	Percent Eligible by Reason For Eligibility				Total Percent Eligible for the FSP ^a
	Living in Waiver Area	Have Not Exceeded Time Limits ^a	In E & T Program	Received Exemption	
Alabama	29	62 / 72	0	1	73 / 80
Alaska	100	62 / 72	0	0	100
Arizona	20	62 / 72	0	1	70 / 78
Arkansas	0	62 / 72	0	100	100
California	5	62 / 72	0	0	64 / 74
Colorado	0	62 / 72	100	0	100
Connecticut	0	62 / 72	0	3	63 / 73
Delaware	0	62 / 72	100	0	100
District of Columbia	100	62 / 72	0	0	100
Florida	0	62 / 72	0	0	62 / 72
Georgia	23	62 / 72	0	0	71 / 79
Hawaii	17	62 / 72	0	0	69 / 77
Idaho	0	62 / 72	100	0	100
Illinois	0	62 / 72	100	0	100
Indiana	0	62 / 72	100	0	100
Iowa	0	62 / 72	0	0	62 / 72
Kansas	0	62 / 72	0	0	62 / 72
Kentucky	60	62 / 72	1	0	85 / 89
Louisiana	100	62 / 72	0	0	100
Maine	43	62 / 72	0	0	78 / 84
Maryland	32	62 / 72	0	0	74 / 81
Massachusetts	0	62 / 72	100	0	100
Michigan	100	62 / 72	0	0	100
Minnesota	10	62 / 72	0	0	66 / 75
Mississippi	0	62 / 72	100	0	100
Missouri	46	62 / 72	0	2	80 / 85
Montana	31	62 / 72	1	0	74 / 81
Nebraska	0	62 / 72	100	0	100
Nevada	15	62 / 72	0	0	68 / 76
New Hampshire	0	62 / 72	100	0	100
New Jersey	0	62 / 72	100	0	100
New Mexico	100	62 / 72	0	0	100
New York	0	62 / 72	100	0	100
North Carolina	26	62 / 72	1	1	72 / 80
North Dakota	6	62 / 72	0	1	64 / 74
Ohio	0	62 / 72	100	0	100
Oklahoma	0	62 / 72	0	0	62 / 72
Oregon	100	62 / 72	0	0	100
Pennsylvania	48	62 / 72	0	1	80 / 85
Rhode Island	51	62 / 72	0	0	81 / 86
South Carolina	100	62 / 72	0	0	100
South Dakota	0	62 / 72	100	0	100
Tennessee	9	62 / 72	0	2	66 / 75
Texas	0	62 / 72	100	0	100
Utah	0	62 / 72	100	0	100
Vermont	8	62 / 72	0	0	65 / 74
Virginia	15	62 / 72	0	0	67 / 76
Washington	100	62 / 72	0	0	100
West Virginia	0	62 / 72	100	0	100
Wisconsin	100	62 / 72	0	0	100
Wyoming	7	62 / 72	0	0	64 / 74

^a The lower number is for individuals in households reporting food stamp receipt in the SIPP. The higher number is for individuals in households not reporting food stamp receipt in the SIPP.

TABLE C.2

RESULTS FOR THE FOOD STAMP NET INCOME REGRESSION EQUATION
(Standard Error Estimates in Parentheses)

Explanatory Variable	Coefficients Estimated Using Administrative Data For 2003
Constant	-233.6315 * 3.11685
Earnings	0.6733 * 0.00487
Earnings Squared	0.000042 * 0.00000262
Unearned Income	0.8541 * 0.00658
Unearned Income Squared	0.000053 * 0.00000441
Flag for Households with Gross Income \leq \$100	162.4307 * 5.47462
Flag for Households Residing in Alaska	-37.5576 * 9.40015
Flag for Households Residing in Hawaii	25.2789 * 5.95717
Flag for Households Residing in the Midwest	12.7847 * 2.44273
Flag for Households Residing in the South	36.9250 * 2.27382
Flag for Households Residing in the West	9.5866 * 2.54542
Sample Size	42,377
R ²	0.8224
Adjusted R ²	0.8224

*Indicates significance at the .05 level using a two-tail t-test. Coefficients identified as significant at the .05 level are those with t-values greater than 1.96.

TABLE C.3

FISCAL YEAR 2003 FSP ELIGIBILITY PARAMETERS

Countable Assets Screen	\$2,000 for households without elderly or disabled members \$3,000 for households with elderly or disabled members			
Gross Income Screen	130 percent of the Monthly Poverty Guidelines			
Net Income Screen	100 percent of the Monthly Poverty Guidelines			
Monthly Poverty Guidelines	<u>Unit Size</u>	<u>Continental US</u>	<u>Alaska</u>	<u>Hawaii</u>
	1	\$ 739	\$ 924	\$ 850
	2	995	1,245	1,145
	3	1,252	1,565	1,440
	4	1,509	1,886	1,735
	5	1,765	2,207	2,030
	6	2,022	2,528	2,325
	7	2,279	2,849	2,620
	8	2,535	3,170	2,915
	Each Additional	+ 257	+ 321	+ 295
Standard Deduction	<u>Unit Size</u>	<u>Continental US</u>	<u>Alaska</u>	<u>Hawaii</u>
	1 - 4	\$134	\$229	\$189
	5	147	229	189
	6+	268	229	193
Maximum Dependent Care Deduction	\$200 for dependents under age 2, \$175 for dependents age 2 and over			
Excess Shelter Deduction		<u>Continental US</u>	<u>Alaska</u>	<u>Hawaii</u>
		\$367	\$586	\$495
Benefit Calculation	Benefit = Maximum benefit – 30 percent of Net Income			
Maximum Monthly Benefit	<u>Unit Size</u>	<u>Continental US</u>	<u>Alaska</u>	<u>Hawaii</u>
	1	\$139	\$169	\$212
	2	256	309	389
	3	366	443	557
	4	465	563	707
	5	553	669	840
	6	663	803	1,008
	7	733	887	1,114
	8	838	1,014	1,273
	Each Additional	+ 105	+ 127	+ 159
Minimum Monthly Benefit	<u>Unit Size</u>			
	1 - 2	\$10		
	3+	\$ 0		
Categorically Eligible	Receipt of cash or in-kind TANF benefits, SSI, or GA			
SSI Cashout States	California only			

Note: Eligibility parameters are for the 50 states and the District of Columbia.

TABLE C.4
UNWEIGHTED SAMPLE SIZES FOR THE CPS,
1976 - 2003

Analysis Year	All Households
1976	68,294
1978	68,455
1980	81,451
1982	73,195
1984	74,568
1986	73,843
1988	70,454
1990	75,076
1991	74,236
1992	73,878
1993	73,126
1994	72,152
1995	63,339
1996	64,046
1997	64,659
1998	65,377
1999	64,944
2000	78,054
2001	78,265
2002	78,310
2003	77,149

TABLE C.5
UNWEIGHTED COUNTS OF HOUSEHOLDS BY THE PROBABILITY OF BEING
ELIGIBLE, 2003

	Unweighted Counts
All Households	77,149
Households with a Probability of Being Eligible Greater Than Zero	
Total	15,896
Probability of Being Eligible	
>0.0 - 0.25	1,222
>0.25 - 0.50	1,183
>0.50 - 0.75	3,600
>0.75 - <1.00	7,802
1.00	2,089

Note: Estimates in this table reflect the number of CPS households in which at least one unit has a non-zero probability of being eligible for food stamps. We determine the probability that a unit is eligible by calculating whether it passes the appropriate income tests and estimating the probability of passing the asset test. The final probability of being eligible is multiplied by the weight to determine the unit's contribution to the total (weighted) number of eligible units. In households with multiple food stamp units, the probabilities of each unit are combined into one household probability. The data shown in each column reflect the number of households in the month with the median number of households with a positive probability of being eligible.

TABLE C.6

UNWEIGHTED SAMPLE SIZES FOR THE FSPQC CASE RECORDS

Month/Year	FSPQC Case Records
September 1976	11,038
February 1978	14,211
August 1980	4,140
August 1982	7,224
August 1984	6,918
July/August 1986	11,010
July/August 1988	10,695
July/August 1990	10,639
July/August 1991	10,602
July/August 1992	9,586
July/August 1993	9,389
August/September 1994	8,933
August/September 1995	8,313
August/September 1996	8,304
August/September 1997	7,907
August/September 1998	7,336
August/September 1999	7,558
Fiscal Year 1999	46,935
Fiscal Year 2000	46,336
Fiscal Year 2001	46,412
Fiscal Year 2002	47,602
Fiscal Year 2003	48,896

APPENDIX D

SAMPLING ERROR OF PARTICIPATION RATE ESTIMATES

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APPENDIX D

The participation rates contained in this report represent the ratio of FSP participants to FSP eligible individuals. Participant counts are based on FSP Program Operations data and FSP Quality Control (FSPQC) data. Eligible counts are based on March CPS data. Since both counts are derived from samples, both are subject to statistical sampling error, as are the resulting participation rate estimates.

Standard Errors of Participation Rates

One indicator of the magnitude of the sampling error associated with a given estimate is its standard error. Standard errors measure the variation in estimated values that would be observed if multiple replications of the sample were drawn. The magnitude of the standard errors depends on: (1) the degree of variation in the variable within the population from which the sample is drawn; (2) the design of the sample, including such issues as stratification and sampling probabilities; and (3) the size of the sample on which the estimate is based.

Generally, the standard error of a nonlinear variable, such as a participation rate, cannot be estimated directly. Rather, one must estimate the standard error of a linear approximation of the nonlinear variable. To estimate the standard error of participation rates contained in this report, we use a Taylor series expansion to produce a linear approximation of the participation rate. The variance of the participation rate, $\text{var}(r)$, can be expressed as a function of the number of participants (p), the number of eligible individuals (e), and their respective variances:

$$(1) \quad \text{var}(r) = \text{var}(p/e) \doteq (p/e)^2 [\text{var}(p)/p^2 + \text{var}(e)/e^2]$$

The standard error of the participation rate is simply the square root of the variance.

Because the FSPQC sample design is relatively simple, we directly calculated the variance of the number of participants. The CPS, however, has a complex sample design. Therefore, we

estimated the variance of the number of eligible individuals using a "jackknife" estimator. The jackknife method involves calculating alternative estimates of the number of eligible individuals based on subsamples of the CPS, then obtaining a variance by measuring the variability in the estimates.

Confidence Intervals

Standard errors can be used to compute confidence intervals for the estimated participation rates. A confidence interval is a range of values that will contain the true value of an estimated participation rate with a known probability. For instance, a 90-percent confidence interval extends 1.645 standard errors above and below the estimated rate, and indicates that there is a 90-percent chance that the confidence interval will contain the true value. Table D.1 presents standard errors and confidence intervals for selected participation rates.

TABLE D.1

SAMPLING ERROR ASSOCIATED WITH SELECTED PARTICIPATION RATES, FISCAL YEAR 2003

Variable	Participation Rate with 90% Confidence Interval	Eligibles		Participants	
		Number	Standard Error	Number	Standard Error
Individuals	55.6 +/- 1.1	37,027,552	436,159	20,593,699	79,607
Households	49.9 +/- 0.9	17,828,862	195,696	8,890,044	0
Benefits	65.4 +/- 1.5	2,612,492,214	35,745,492	1,707,485,265	7,603,562
Children	73.8 +/- 2.3	14,172,165	245,007	10,457,544	72,397
Nonelderly Adults	50.9 +/- 1.2	16,437,905	215,975	8,370,657	34,413
Elderly Individuals	27.5 +/- 1.1	6,417,481	128,453	1,765,498	23,258
Nondisabled Childless Adults Subject to Work Registration	28.4 +/- 1.6	2,568,233	67,869	733,794	15,479
Noncitizens	46.7 +/- 3.6	1,504,343	51,017	702,859	23,135
Citizen Children Living With Noncitizen Adults	47.2 +/- 3.8	2,887,621	110,753	1,362,298	40,312
Individuals in Households With Children and One Adult	93.2 +/- 3.7	9,983,807	223,798	9,307,032	83,858
Individuals In Households					
With Earnings	47.4 +/- 1.6	16,868,633	279,058	7,997,437	88,209
With TANF	125.8 +/- 9.5	3,803,894	166,279	4,785,710	68,141
With Nonelderly SSI	94.8 +/- 6.1	3,702,969	133,490	3,509,211	54,758
With Elderly SSI	90.0 +/- 9.1	1,264,081	71,476	1,167,042	23,043
Individuals In Households With Very Low Income	92.6 +/- 4.4	7,208,893	188,579	6,678,546	78,756
Individuals In Households With Income Slightly Above Poverty	25.2 +/- 1.2	8,760,076	181,139	2,212,189	44,872

Sources: FSP Program Operations data, FSPQC data, and March CPS data.

Note: Participation rates over 100 percent are due to reporting errors in the CPS. See Appendix C for more information.

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APPENDIX E

**ECONOMIC AND POLICY INFLUENCES
ON THE FOOD STAMP PROGRAM**

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TABLE E.1

SUMMARY OF MAJOR INFLUENCES ON FSP PARTICIPATION RATES, 1976-2003

Period of Change	Major Influences	Effect on Number of Participants and Eligible Individuals	Participation Rate Change
1976 to 1978	Rising inflation and strengthening economy	Almost no change in participants. Substantial decrease in eligible individuals.	Up 7 points
1978 to 1980	Food Stamp Act of 1977	Substantial increase in participants. Decrease in eligible individuals.	Up 17 points
1980 to 1982	Recession	Almost no change in participants. Substantial increase in eligible individuals.	Down 3 points
1982 to 1984	Economic recovery	Slight decline in both participants and eligible individuals.	No change
1984 to 1986	1985 Food Security Act	Almost no change in participants. Substantial increase in eligible individuals.	Down 4 points
1986 to 1988	Growth in economy	Small decline in participants and eligible individuals.	No change
1988 to 1990	Medicaid expansion, Homeless Assistance Act, IRCA, worsening economy	Increase in participants. Small decline in eligible individuals.	Up 6 points
1990 to 1991	Continued Medicaid expansion, recession	Increase in participants. Smaller percent increase in eligible individuals.	Up 3 points
1991 to 1992	Continued Medicaid expansion, recession	Increase in participants. Smaller percent increase in eligible individuals.	Up 2 points
1992 to 1993	Improving economy	Increase in participants. Smaller percent increase in eligible individuals.	Up 1 point
1993 to 1994	Improving economy	No change in participants. Small drop in eligible individuals.	Up 1 point
1994 to 1995	Improving economy	Decrease in eligible individuals. Relatively larger decrease in participants.	Down 2 point
1995 to 1996	Improving economy	No change in eligible individuals, decrease in participants.	Down 3 points
1996 to 1997	Welfare reform, improving economy	Large decrease in participants and eligible individuals. Larger decrease in participants.	Down 5 points
1997 to 1998	Welfare reform, improving economy	Large decrease in participants and eligible individuals. Larger decrease in participants.	Down 4 points
1998 to 1999	Welfare reform, improving economy	Decrease in participants and eligible individuals. Larger decrease in participants.	Down 2 points
1999 to 2000	Welfare reform, improving economy	Decrease in participants and eligible individuals. Larger decrease in participants.	Down less than 1 point
2000 to 2001	Increased asset eligibility, worsening economy	Slight increase in participants. Large increase in eligible individuals.	Down 3 points
2001 to 2002	Increased asset eligibility, increased poverty	Large increase in participants and eligible individuals. Larger increase in participants.	Up less than 1 point
2002 to 2003	Increased outreach, increased eligibility for noncitizens, increased poverty	Increase in both participants and eligible individuals.	Up

TABLE E.2

MAJOR ECONOMIC INDICATORS, CALENDAR YEARS 1976-2003

Year	Real GDP Increase ^a	Productivity Increase ^b	Unemployment Rate ^c	Inflation Rate ^d	Poverty Rate	Individuals in Poverty (000s)
1976	5.3	3.2	7.7	5.8	11.8	24,975
1977	4.6	1.7	7.1	6.4	11.6	24,720
1978	5.6	1.1	6.1	7.0	11.4	24,497
1979	3.2	0.0	5.8	8.3	11.7	26,072
1980	-0.2	-0.2	7.1	9.1	13.0	29,272
1981	2.5	2.1	7.6	9.4	14.0	31,822
1982	-1.9	-0.8	9.7	6.1	15.0	34,398
1983	4.5	3.6	9.6	3.9	15.2	35,303
1984	7.2	2.7	7.5	3.8	14.4	33,700
1985	4.1	2.3	7.2	3.0	14.0	33,064
1986	3.5	3.0	7.0	2.2	13.6	32,370
1987	3.4	0.6	6.2	2.7	13.4	32,221
1988	4.1	1.5	5.5	3.4	13.0	31,745
1989	3.5	0.9	5.3	3.8	12.8	31,528
1990	1.9	2.0	5.6	3.9	13.5	33,585
1991	-0.2	1.6	6.8	3.5	14.2	35,708
1992	3.3	4.2	7.5	2.3	14.8	38,014
1993	2.7	0.3	6.9	2.3	15.1	39,265
1994	4.0	1.1	6.1	2.1	14.5	38,059
1995	2.5	0.2	5.6	2.0	13.8	36,425
1996	3.7	2.9	5.4	1.9	13.7	36,529
1997	4.5	1.9	4.9	1.7	13.3	35,574
1998	4.2	2.7	4.5	1.1	12.7	34,476
1999	4.5	2.9	4.2	1.4	11.8	32,258
2000	3.7	2.9	4.0	2.2	11.3	31,581
2001	0.8	2.5	4.7	2.4	11.7	32,907
2002	1.9	4.3	5.8	1.7	12.1	34,570
2003	3.0	4.5	6.0	1.8	12.5	35,861

Sources (by column of data):

First: Department of Commerce, Bureau of Economic Analysis, National Income and Product Accounts.

Second: Department of Labor, Bureau of Labor Statistics. "Major Sector Productivity and Costs Index."

Third: Department of Labor, Bureau of Labor Statistics.

Fourth: Department of Commerce, Bureau of Economic Analysis, National Income and Product Accounts.

Fifth and sixth: U.S. Bureau of the Census, *Poverty in the United States*.

^aPercentage change from preceding year.

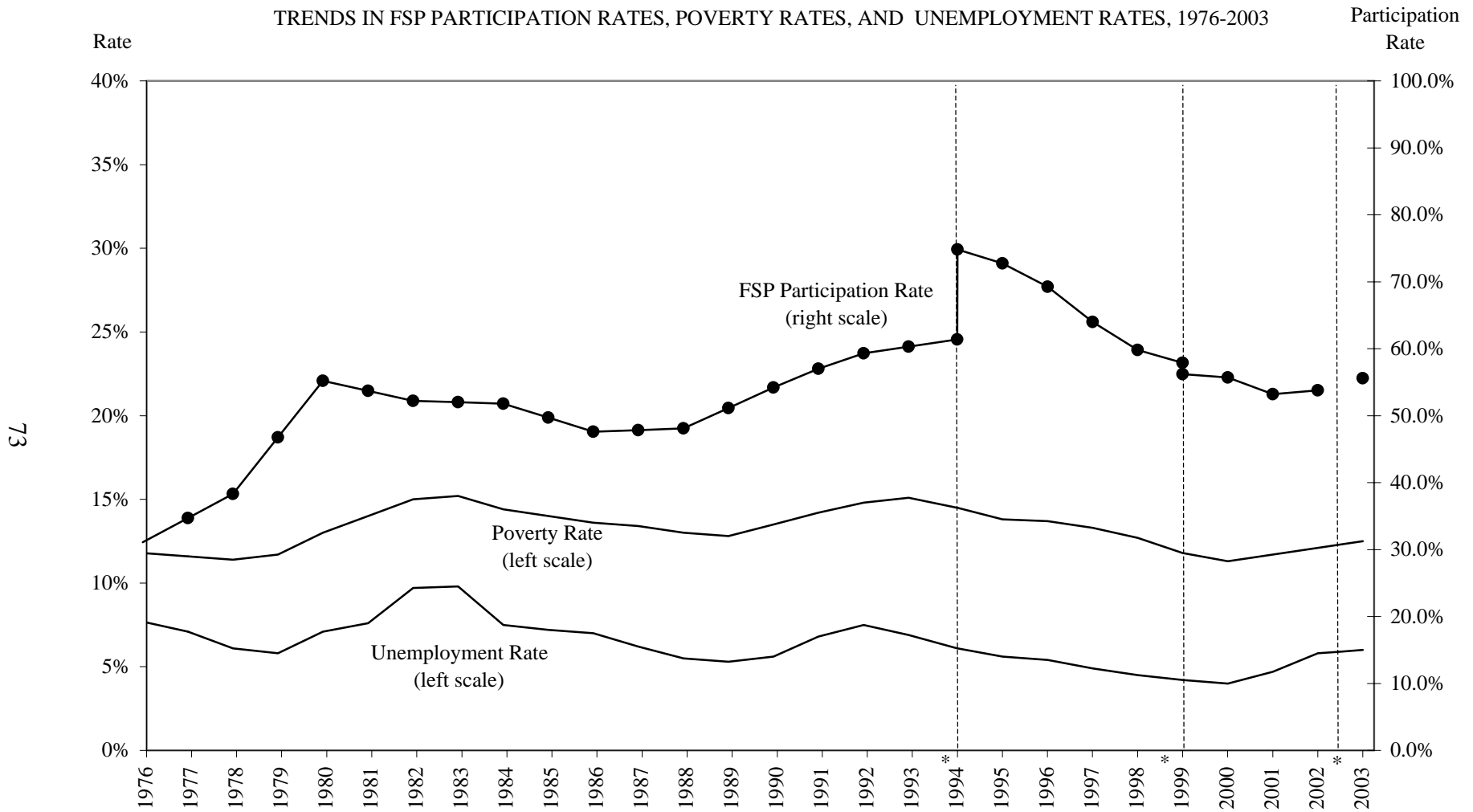
^bPercentage change from preceding year in output per hour, business sector.

^cAll civilian workers

^dPercentage change from preceding year in the implicit price deflator for Gross Domestic Product.

FIGURE E.1

TRENDS IN FSP PARTICIPATION RATES, POVERTY RATES, AND UNEMPLOYMENT RATES, 1976-2003



Sources: Participation rates from FSP Program Operations data, FSPQC data, and March CPS data for the years shown. Poverty rates from U.S. Bureau of the Census, Poverty in the United States. Unemployment rates from Department of Labor, Bureau of Labor Statistics.

*There are breaks in the time series in 1994 and 1999 and between 2002 and 2003 due to revisions in the methodology for determining eligibility.

TABLE E.3A

SELECTED FEATURES OF THE FSP UNDER PAST AND CURRENT LEGISLATION
Income Limits

Legislation	Income Limits
Food Stamp Act of 1964 as Amended (PL 88-525)	Net income had to be less than or equal to the maximum food stamp net income which was tied to the maximum coupon allotment.
Food Stamp Act of 1977 (PL 95-113) Effective 1/1/79	Net income had to be less than or equal to the poverty line.
Food Stamp Amendments of 1979 and 1980 (PL 96-58 and PL 96-249)	Excluded energy assistance as income. Included income of ineligible aliens less prorated share.
OBRA of 1981 (PL 86-35) and Food Stamp Amendments and Reauthorization Act of 1981 (PL97-98) Effective 10/1/98	Gross income had to be less than or equal to 130 percent of the poverty line, except for elderly and disabled, who kept previous net income limit.
Food Stamp Amendments of 1982 (PL 97-253) Effective 10-82 and Continuing Resolution of 1984 (PL 84-473)	Nonelderly and nondisabled subjected to both net and gross income limits.
1985 Food Security Act (PL 99-198) Effective 5-86	Minor changes in treatment of income.
1987 Homeless Assistance Act (PL 100-77)	Moved annual adjustment in income eligibility guidelines to October 1 of each year from July 1.
Hunger Prevention Act of 1988 (PL 100-435)	No Change
Farm, Agriculture, Conservation and Trade Act of 1990 and 1991 (FACTA) (PL 102-237)	Certain types of educational assistance not counted as income.
Amendments to FACTA of 1991	No Change
The Mickey Leland Childhood Hunger Relief Act of 1993 (PL 103-66)	Earnings of students excluded from income through age 21. Excluded as income 100% of vendor payments made to transitional housing facilities on behalf of homeless households and GA vendor payments for utility-cost assistance.
The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) (PL 104-193)	Earnings of students excluded from income through age 17.
The Balanced Budget Act of 1997 (BBA) (PL 105-33)	No Change
Agricultural Research, Extension and Education Reform Act of 1998 (AREERA) (PL 105-185)	No Change
Agriculture Appropriations Act of 2001 (PL 106-387)	No Change
Farm Security and Rural Investment Act of 2002	State options to exclude certain types of income that are not counted under the state's TANF cash assistance or Medicaid programs and to treat legally obligated child support payments to a non-household member as an income exclusion rather than a deduction.

TABLE E.3B

SELECTED FEATURES OF THE FSP UNDER PAST AND CURRENT LEGISLATION
Asset Limits

Legislation	Asset Limits
Food Stamp Act of 1964 as Amended (PL 88-525)	\$1,500; \$3,000 for elderly household of at least two persons. Excluded vehicles used for employment or handicapped transportation.
Food Stamp Act of 1977 (PL 95-113) Effective 1/1/79	\$1,750; \$3,000 for elderly household of at least two persons. Excluded first \$4,500 of the Fair Market Value for vehicles.
Food Stamp Amendments of 1979 and 1980 (PL 96-58 and PL 96-249)	\$1,500; \$3,000 for elderly household of at least two persons. Excluded vehicles used for handicapped.
OBRA of 1981 (PL 86-35) and Food Stamp Amendments and Reauthorization Act of 1981 (PL97-98) Effective 10/1/98	No Change
Food Stamp Amendments of 1982 (PL 97-253) Effective 10-82 and Continuing Resolution of 1984 (PL 84-473)	State option to waive asset test for pure AFDC households passing gross income test. IRA KEOGH accounts counted as assets.
1985 Food Security Act (PL 99-198) Effective 5-86	\$2,000; \$3,000 for households with elderly member(s) (including one-person households). Changed definition of countable resources.
1987 Homeless Assistance Act (PL 100-77)	No Change
Hunger Prevention Act of 1988 (PL 100-435)	No Change
FACTA (PL 102-237)	Non-liquid resources and those exempted by AFDC and SSI are not counted.
Amendments to FACTA of 1991	Same limits. Asset holding of AFDC and SSI recipients not counted.
The Mickey Leland Childhood Hunger Relief Act of 1993 (PL 103-66)	Raised the vehicle Fair Market Value asset limit to \$4,550 on 9/1/94, to \$4,600 on 10/1/95, and \$5,000 on 10/1/96 with annual cost-of-living adjustments thereafter. Excluded vehicles necessary to carry food or water.
PRWORA (PL 104-193)	Vehicle Fair Market Value asset limit raised to \$4,650, with no planned future cost-of-living adjustments.
BBA (PL 105-33)	No Change
AREERA (PL 105-185)	No Change
Agriculture Appropriations Act of 2001 (PL 106-387)	Allowed States to use the vehicle limit they use in a TANF assistance program, if it would be result in a lower attribution of resources for the household.
Farm Security and Rural Investment Act of 2002	Increased the resource limit for households with a disabled member from \$2,000 to \$3,000.

TABLE E.3C

SELECTED FEATURES OF THE FSP UNDER PAST AND CURRENT LEGISLATION
Benefits

Legislation	Maximum Benefit	Minimum Benefit	Benefit Reduction Rate
Food Stamp Act of 1964 as Amended (PL 88-525)	Thrifty Food Plan. Indexed since 1971, indexed semiannually from 1973-1979 based on BLS food price index.	Minimum benefit varied by household size.	Basis of issuance tables (average 30% above lowest levels).
Food Stamp Act of 1977 (PL 95-113) Effective 1/1/79	Indexed semiannually based on Thrifty Food Plan components.	\$10 for one- and two-person households only.	30%
Food Stamp Amendments of 1979 and 1980 (PL 96-58 and PL 96-249)	Indexed annually in January based on September cost of Plan components.	No Change	No Change
OBRA of 1981 (PL 86-35) and Food Stamp Amendments and Reauthorization Act of 1981 (PL97-98) Effective 10/1/98	Indexing frozen until 7/1/83, next adjustment 10/1/84 based on June cost of Plan components.	No Change	No Change
Food Stamp Amendments of 1982 (PL 97-253) Effective 10-82 and Continuing Resolution of 1984 (PL 84-473)	Indexed to 99% of Thrifty Food Plan cost. Changed back to 100% by PL 98-473. Last step in benefit calculation rounded down.	No Change	No Change
1985 Food Security Act (PL 99-198) Effective 5-86	No Change	No Change	No Change
1987 Homeless Assistance Act (PL 100-77)	No Change	No Change	No Change
Hunger Prevention Act of 1988 (PL 100-435)	Incremental indexing to 103% of Thrifty Food Plan by FY 1991 and thereafter.	No Change	No Change
FACTA (PL 102-237)	No Change	Required annual adjustments to the \$10 minimum benefit.	No Change
Amendments to FACTA of 1991	No Change*	No Change	No Change
The Mickey Leland Childhood Hunger Relief Act of 1993 (PL 103-66)	No Change	No Change	No Change
PRWORA (PL 104-193)	Reduced to 100% of Thrifty Food Plan for Continental U.S. and District of Columbia; Alaska and Hawaii remained at 1996 levels.	Removed requirement for indexing of minimum benefit.	No Change
BBA (PL 105-33)	No Change	No Change	No Change
AREERA (PL 105-185)	No Change	No Change	No Change
Agriculture Appropriations Act of 2001 (PL 106-387)	No Change	No Change	No Change
Farm Security and Rural Investment Act of 2002	No Change	No Change	No Change

TABLE E.3D

SELECTED FEATURES OF THE FSP UNDER PAST AND CURRENT LEGISLATION
Deductions

Legislation	Deductions
Food Stamp Act of 1964 as Amended (PL 88-525)	Payroll; 10% of earnings up to \$30; child care; education; medical over \$10; alimony or child support; casualty losses; shelter in excess of 30% of net income.
Food Stamp Act of 1977 (PL 95-113) Effective 1/1/79	Standard \$60. Indexed semi-annually to CPI nonfood components. 20% of earnings; child care up to \$75; shelter in excess of 50% of net not to exceed \$80 in combination with child care. Limit indexed annually in July based on shelter-fuel-utilities component of the CPI.
Food Stamp Amendments of 1979 and 1980 (PL 96-58 and PL 96-249)	1980 Act: standard deduction and shelter/child care cap indexed annually in Jan. based on Sept./Sept. change; 1979 Act: elderly and disabled not subjected to the shelter deduction maximum and allowed medical expenses over \$35.*
OBRA of 1981 (PL 86-35) and Food Stamp Amendments and Reauthorization Act of 1981 (PL97-98) Effective 10/1/98	18% of earnings, shelter/child care cap set at \$115 with next inflation adjustment on 7/1/83, then 10/1/84 and each October thereafter.
Food Stamp Amendments of 1982 (PL 97-253) Effective 10-82 and Continuing Resolution of 1984 (PL 84-473)	Standard deduction raised to \$89. Next inflation adjustment delayed until 10/1/83. Limited use of standard utility expense allowances.
1985 Food Security Act (PL 99-198) Effective 5-86	20% of earnings; separate cap on shelter deduction of \$147, with indexed increases; separate cap on dependent care of \$160, not indexed.
1987 Homeless Assistance Act (PL 100-77)	Increased cap on shelter deduction for all households certified after 10/1/87.
Hunger Prevention Act of 1988 (PL 100-435)	Dependent care deduction increased to \$160 per month per dependent, rather than per household.
FACTA (PL 102-237)	No Change
Amendments to FACTA of 1991	No Change
The Mickey Leland Childhood Hunger Relief Act of 1993 (PL 103-66)	Increased cap on shelter deductions for all households to \$231 after 7/1/94 and to \$247 after 10/1/95. Raised the dependent care deduction cap to \$200 a month for each child under the age of two and \$175 a month for all other dependents.
PRWORA (PL 104-193)	Standard deduction frozen at current levels. Raised excess shelter deduction to \$250 on 1/1/97, to \$275 on 10/1/98, to \$300 on 10/1/00.
BBA (PL 105-33)	No Change
AREERA (PL 105-185)	No Change
Agriculture Appropriations Act of 2001 (PL 106-387)	Increased the excess shelter cap to \$340 in fiscal year 2001 and then indexed the cap to changes in the Consumer Price Index for All Consumers each year beginning in fiscal year 2002.
Farm Security and Rural Investment Act of 2002	Changed standard deduction to vary according to household size and be adjusted annually for cost-of-living increases, allowed states to simplify the SUA if they elect to use the SUA rather than actual utility costs for all households, and allowed states to use a standard deduction of \$143 per month for homeless households with some shelter expenses.

*A provision to reduce the medical deduction from \$35 to \$25 was repealed in OBRA and never implemented.

TABLE E.3E

SELECTED FEATURES OF THE FSP UNDER PAST AND CURRENT LEGISLATION
Accounting Period, Categorical Eligibility

Legislation	Accounting Period	Categorical Eligibility
Food Stamp Act of 1964 as Amended (PL 88-525)	Prospective month	Public assistance households automatically eligible
Food Stamp Act of 1977 (PL 95-113) Effective 1/1/79	Prospective month	Public assistance households not automatically eligible
Food Stamp Amendments of 1979 and 1980 (PL 96-58 and PL 96-249)	State option to use prospective or retrospective with monthly report.	No Change
OBRA of 1981 (PL 86-35) and Food Stamp Amendments and Reauthorization Act of 1981 (PL97-98) Effective 10/1/98	Retrospective becomes mandatory 10/1/83 for some households, prospective for others.	No Change
Food Stamp Amendments of 1982 (PL 97-253) Effective 10-82 and Continuing Resolution of 1984 (PL 84-473)	Migrant workers, elderly and disabled households with no earnings exempt from monthly reporting.	No Change
1985 Food Security Act (PL 99-198) Effective 5-86	Retrospective budgeting and monthly reporting required for households with earnings or work history except migrant farmers and elderly or disabled.	Categorical eligibility for pure AFDC or SSI households.
1987 Homeless Assistance Act (PL 100-77)	Exempted seasonal farm workers and households in which all members are homeless from monthly reporting requirements.	No Change
Hunger Prevention Act of 1988 (PL 100-435)	No Change	No Change
FACTA (PL 102-237)	No Change	Expanded categorical eligibility to recipients of certain state and local general assistance payments.
Amendments to FACTA of 1991	No Change	No Change
The Mickey Leland Childhood Hunger Relief Act of 1993 (PL 103-66)	No Change	No Change
PRWORA (PL 104-193)	No Change	No Change
BBA (PL 105-33)	No Change	No Change
AREERA (PL 105-185)	No Change	No Change
Agriculture Appropriations Act of 2001 (PL 106-387)	No Change	No Change
Farm Security and Rural Investment Act of 2002	No Change	No Change

TABLE E.3F

SELECTED FEATURES OF THE FSP UNDER PAST AND CURRENT LEGISLATION
Work Registration Requirements and Time Limits

Legislation	Work Registration Requirements and Time Limits
Food Stamp Act of 1964 as Amended (PL 88-525)	Required work registration and employment as a condition of eligibility for able-bodied adults between 18 & 65 years except for individuals with responsibility for care of a dependent child or of an incapacitated adult; students; or persons employed 30 hours/week.
Food Stamp Act of 1977 (PL 95-113) Effective 1/1/79	Lowered age for individuals required to work from 65 to 60 years; added job search as a work requirement; lowered age for caretaker exemption from 18 to 12 years.
Food Stamp Amendments of 1979 and 1980 (PL 96-58 and PL 96-249)	No requirement
OBRA of 1981 (PL 86-35) and Food Stamp Amendments and Reauthorization Act of 1981 (PL97-98) Effective 10/1/98	Applied disqualification for voluntarily quitting a job to participants as well as applicants; lowered age for caretaker exemption to 6 years old.
Food Stamp Amendments of 1982 (PL 97-253) Effective 10-82 and Continuing Resolution of 1984 (PL 84-473)	No requirement
1985 Food Security Act (PL 99-198) Effective 5-86	Disqualified only violating member rather than entire household unless that member was also head of household; required all States to implement an E&T program by April 1, 1987.
1987 Homeless Assistance Act (PL 100-77)	No requirement
Hunger Prevention Act of 1988 (PL 100-435)	No requirement
FACTA (PL 102-237)	No requirement
Amendments to FACTA of 1991	No requirement
The Mickey Leland Childhood Hunger Relief Act of 1993 (PL 103-66)	No requirement
PRWORA (PL 104-193)	Able-bodied adults without dependents required to work at least 20 hours per week in a job or qualified training program. If individual is subject to, but not complying with the requirement, they are limited to 3 months of benefits in any 36-month period. Minimum disqualification periods for individuals who failed to comply with work requirements from 1 month to permanently depending on the number of violations.
BBA (PL 105-33)	Increased funds for Food Stamp Employment and Training programs, but restricted the use of the funds (requiring them to earmark 80% for ABAWDs). Made the funds available until expended. Allowed states to grant discretionary exemptions from the time limits for up to 15% of the state's unwaived able-bodied caseload.
AREERA (PL 105-185)	No Change
Agriculture Appropriations Act of 2001 (PL 106-387)	No Change
Farm Security and Rural Investment Act of 2002	Authorized additional funding for states that pledge to offer work slots to all unemployed childless adults who are subject to the 3-month time limit and eliminated the requirement that 80 percent of unmatched funds be used for nondisabled childless adults.

TABLE E.3G

SELECTED FEATURES OF THE FSP UNDER PAST AND CURRENT LEGISLATION
Treatment of Noncitizens

Legislation	Treatment of Noncitizens
Food Stamp Act of 1964 as Amended (PL 88-525)	No disqualifications
Food Stamp Act of 1977 (PL 95-113) Effective 1/1/79	No disqualifications
Food Stamp Amendments of 1979 and 1980 (PL 96-58 and PL 96-249)	No disqualifications
OBRA of 1981 (PL 86-35) and Food Stamp Amendments and Reauthorization Act of 1981 (PL97-98) Effective 10/1/98	The 1980 amendments required certification workers to report an ineligible alien to INS. Income and assets of aliens' sponsors were deemed to alien for three years after entry into the country.
Food Stamp Amendments of 1982 (PL 97-253) Effective 10-82 and Continuing Resolution of 1984 (PL 84-473)	No disqualifications
1985 Food Security Act (PL 99-198) Effective 5-86	No disqualifications
1987 Homeless Assistance Act (PL 100-77)	No disqualifications
Hunger Prevention Act of 1988 (PL 100-435)	No disqualifications
FACTA (PL 102-237)	No disqualifications
Amendments to FACTA of 1991	No disqualifications
The Mickey Leland Childhood Hunger Relief Act of 1993 (PL 103-66)	No disqualifications
PRWORA (PL 104-193)	Permanent resident aliens disqualified unless they have 40 quarters of qualified work history in the United States, are currently or were formerly members of the U.S. Armed Forces. Members of their family also exempt. Refugees, asylees, and deportees eligible for 5 years after entering the United States.
BBA (PL 105-33)	No Change
AREERA (PL 105-185)	Restored eligibility to permanent resident aliens lawfully in the United States on August 22, 1996 and disabled, blind, or under age 18, or were 65 or older on August 22, 1996. Extended eligibility for refugees, asylees, and deportees from five to seven years after entering the United States.
Agriculture Appropriations Act of 2001 (PL 106-387)	No Change
Farm Security and Rural Investment Act of 2002	Restored eligibility to qualified noncitizens who are otherwise eligible for the FSP and who: are receiving disability benefits regardless of date of entry (effective FY 2003); are under 18 regardless of date of entry (effective FY 2004); or have lived in the U.S. for 5 years as a qualified noncitizen (effective April 2003).

TABLE E.3H

SELECTED FEATURES OF THE FSP UNDER PAST AND CURRENT LEGISLATION
Other Changes

Legislation	Other Changes
Food Stamp Act of 1964 as Amended (PL 88-525)	Nationwide program
Food Stamp Act of 1977 (PL 95-113) Effective 1/1/79	Eliminated purchase requirement
Food Stamp Amendments of 1979 and 1980 (PL 96-58 and PL 96-249)	Increased state incentives for reducing error. SSN's required. Limits on eligible students; residents of shelters for battered women & disabled in small groups may participate. Established Quality Control system.
OBRA of 1981 (PL 86-35) and Food Stamp Amendments and Reauthorization Act of 1981 (PL97-98) Effective 10/1/98	Tightened definition of household, no extra benefits for strikers, prorated first month benefits. Replaced the FSP with a block grant Nutrition Assistance Program for Puerto Rico.
Food Stamp Amendments of 1982 (PL 97-253) Effective 10-82 and Continuing Resolution of 1984 (PL 84-473)	Replaced three-tiered incentive system with increased administrative funding for States with error rates below five percent, limited student eligibility, benefits rounded down, job search requirements, Puerto Rico cashout prohibited. Household unit definition altered. No initial month benefits less than \$10. SSU and SS COLA adjustments disregarded up to 3 months. New definition of disabled.
1985 Food Security Act (PL 99-198) Effective 5-86	New definition of disabled, Puerto Rico block grant funds, students in JTPA exempt from categorical restriction; residents of publicly operated mental health centers may participate.
1987 Homeless Assistance Act (PL 100-77)	Outreach efforts for homeless persons and other hard-to-serve groups. Simplified application process for these groups. Expanded eligibility for expedited source..
Hunger Prevention Act of 1988 (PL 100-435)	Expanded the definition of disabled. Excluded advanced EITC payments as income.
FACTA (PL 102-237)	Rules for student eligibility modified.
Amendments to FACTA of 1991	All Title IV payments and Bureau of Indian Affairs educational assistance excluded from food stamp countable income (Higher Education Amendments of 1992 (PL 102-325)).
The Mickey Leland Childhood Hunger Relief Act of 1993 (PL 103-66)	Simplified the household definition by allowing persons who live together but do not purchase and prepare food together to be in separate food stamp units. Spouses must still be in the same household. Effective 9/1/94.
PRWORA (PL 104-193)	Children under age 22 living with parents must apply as part of the parents' household even if the child is married or has children of his/her own.
BBA (PL 105-33)	None
AREERA (PL 105-185)	None
Agriculture Appropriations Act of 2001 (PL 106-387)	None
Farm Security and Rural Investment Act of 2002	Allowed states to offer transitional food stamp benefits for up to 5 months after households lose TANF cash assistance and allowed states to extend semi-annual reporting of changes to all households not exempt from periodic reporting.

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APPENDIX F

CHANGES IN THE MARCH CPS OVER TIME

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TABLE F.1

CHANGES IN THE MARCH CPS OVER TIME

March Year	Data Year	Changes in Design or Weighting from Previous Year
78	77	None
79	78	Changes in metro/nonmetro definitions. New, more detailed income questions were introduced for 2 rotation groups.
80	79	Definition of adult changed from age 14 to age 15. New concept of families and headship status. New income questions were introduced for all rotation groups.
81	80	New weighting procedure based on 1980 Census was introduced which increased the overall population by 2.3 percent and had a disproportionate impact on Hispanics.
82	81	Top coding of income variables was increased from \$50,000 to \$75,000.
83	82	New industry and occupation coding. New definition of group quarters. The poverty index was modified slightly (deleting the farm/nonfarm dimension).
84	83	The March 1984 file was issued twice. In the second (unofficial) version, the Bureau of the Census introduced the revised weighting procedure developed for the March 1985 CPS.
85	84	Revised weighting procedures--specifically, the control on Hispanics was changed. This caused a slight increase in poverty with disproportionate impacts on the Hispanic population, male unrelated individuals, and persons in related subfamilies. Changes in the designation of metro/nonmetro, farm/nonfarm, central city/noncentral city statuses.
86	85	More metro/nonmetro changes
87	86	None
88	87	None
89	88	Revised processing procedures increased income overall and reduced poverty. The poverty rate changed more severely for blacks and persons in selected age ranges.
90	89	None
91	90	None
92	91	None
93	92(r)	New population controls based on 1990 census and adjustments for the census undercount increased the poverty population. The largest increases in poverty rates were for Hispanic families, families with single female householders, white children, and persons in unrelated subfamilies.
94	93	Survey was redesigned to improve the measurement of labor force concepts and wording of questions, and to implement a computerized questionnaire.
95	94	None
96	95	Sample reduction. Revised earnings topcoding--instead of topcoding earnings variables at 99,999, records that were topcoded were assigned the mean earnings for topcoded individuals with similar characteristics. Revised race edit and allocation. Caution is urged when comparing 1995 and 1996 data on race groups.
97	96	None
98	97	None
99	98	None
00	99	Rewighted based on Census 2000
01	00	Rewighted based on Census 2000, expanded sample size
02	01	Weights based on Census 2000
03	02	Expanded racial categories
04	03	None

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APPENDIX G

FSP ELIGIBILITY PARAMETERS

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TABLE G.1

SELECTED FOOD STAMP ELIGIBILITY PARAMETERS, 1976 TO 2002

Analysis Year		<i>September 1976</i> Food Stamp Act of 1964 As Amended	<i>February 1978</i> Food Stamp Act of 1964 As Amended	<i>August 1980</i> Food Stamp Act of 1977 As Amended; Effective late 1978, early 1979	<i>August 1982</i> OBRA 1981 As Amended in 1981; Effective 10/81								
Gross Income Eligibility		No test			<= 1.3 * Poverty Line								
Net Income Eligibility		<= Maximum Food Stamp Income			<= Poverty Line								
Asset Eligibility		\$1500; \$3000 for elderly households with at least 2 members											
Minimum Benefit		Varies by household size			\$10 for 1 and 2 person households; \$0 for all others;								
Eligibility of Pure PA Households		No Automatic Eligibility	Automatically Eligible		No Automatic Eligibility								
Benefit Calculation		Benefit = Maximum benefit (household size);			Benefit = Maximum benefit minus 30% of net income								
SSI Cashout States		California, Wisconsin, Massachusetts											
Monthly Food Stamp Net Income Screen	Unit Size	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>
	1	245	307	273	262	328	286	316	397	365	390	490	450
	2	322	413	407	344	447	427	418	524	481	519	650	597
	3	433	593	580	460	633	607	520	650	598	647	810	745
	4	553	753	740	580	807	773	621	777	715	775	970	892
	5	660	893	880	687	960	920	723	904	831	904	1,130	1,040
	6	787	1,073	1,053	827	1,147	1,100	825	1,030	948	1,032	1,290	1,187
	7	873	1,187	1,167	913	1,273	1,220	926	1,157	1,065	1,180	1,450	1,335
	8	993	1,353	1,333	1,047	1,453	1,393	1,028	1,284	1,181	1,289	1,610	1,482
	additional	+ 127	+ 167	+ 166	+ 133	+ 180	+ 173	+ 102	+ 127	+ 117	+ 129	+ 160	+ 142
Monthly Maximum Food Stamp Allotment	Unit Size	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>
	1	50	68	66	52	72	70	63	98	84	70	108	95
	2	92	124	122	96	134	128	115	180	158	128	197	175
	3	130	178	174	138	190	182	165	258	226	183	293	250
	4	166	226	222	174	242	232	209	327	287	233	359	318
	5	198	268	264	206	288	276	248	388	341	277	426	378
	6	236	322	316	248	344	330	298	466	409	332	512	453
	7	262	356	350	274	382	366	329	515	452	367	565	501
	8	298	406	400	314	436	418	376	589	517	419	646	572
	additional	+ 38	+ 50	+ 50	+ 40	+ 54	+ 52	+ 47	+ 74	+ 65	+ 53	+ 81	+ 72

TABLE G.1 (continued)

Analysis Year		<i>August 1984</i> OBRA As Amended in 1982; Effective 10/82			<i>August 1986</i> Food Security Act of 1985; Effective 5/86			<i>August 1988</i> 1987 Homeless Assistance Act;			<i>August 1990</i> Leland Hunger Prevention Act of 1988		
Gross Income Eligibility		<= 1.3 * Poverty Line											
Net Income Eligibility		<= Poverty Line											
Asset Eligibility		\$1,500; \$3,000 for elderly households with 2 or more members;			\$2000; \$3000 for elderly households;								
Minimum Benefit		\$10 for 1 and 2 person households; \$0 for all others;											
Eligibility of Pure PA Households		No Automatic Eligibility			Automatically Eligible								
Benefit Calculation		Benefit = Maximum benefit minus 30% of net income											
SSI Cashout States		CA, WI, MA			California, Wisconsin								
Monthly Food Stamp Net Income Screen	Unit Size	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>
	1	415	520	478	447	559	515	459	572	526	499	624	573
	2	560	701	645	604	755	695	617	770	709	699	836	769
	3	705	882	811	760	950	875	775	969	891	839	1,049	965
	4	850	1,063	978	917	1,146	1,055	934	1,167	1,074	1,009	1,261	1,160
	5	995	1,244	1,145	1,074	1,342	1,235	1,092	1,365	1,256	1,179	1,474	1,356
	6	1,140	1,425	1,311	1,230	1,538	1,415	1,250	1,564	1,439	1,349	1,686	1,552
	7	1,285	1,605	1,478	1,387	1,732	1,595	1,409	1,762	1,621	1,519	1,899	1,748
	8	1,430	1,786	1,645	1,544	1,930	1,775	1,567	1,960	1,804	1,689	2,111	1,944
additional	+ 145	+ 181	+ 167	+ 157	+ 196	+ 180	+ 158	+ 198	+ 183	+ 170	+ 213	+ 196	
Monthly Maximum Food Stamp Allotment	Unit Size	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>
	1	76	109	108	80	111	124	87	113	133	99	123	151
	2	139	200	198	147	204	228	159	207	244	182	227	276
	3	199	286	283	211	293	327	228	297	350	260	325	396
	4	253	364	360	268	372	415	290	378	444	331	413	503
	5	301	432	427	318	442	493	344	448	527	393	490	598
	6	361	518	513	382	530	592	413	538	633	472	588	717
	7	399	473	567	422	586	654	457	595	700	521	650	793
	8	457	655	648	483	670	748	522	680	800	596	743	906
additional	+ 57	+ 82	+ 81	+ 60	+ 84	+ 94	+ 65	+ 85	+ 100	+ 75	+ 93	+ 113	

TABLE G.1 (continued)

Analysis Year		<i>August 1991</i> FACTA of 1991			<i>August 1992</i> FACTA of 1991 and amendments			<i>August 1993</i> FACTA of 1991 and amendments		
Gross Income Eligibility		<= 1.3 * Poverty Line								
Net Income Eligibility		<= Poverty Line								
Asset Eligibility		\$2000; \$3000 for elderly households								
Benefit Reduction Rate		0.3								
Minimum Benefit		\$10 for 1 and 2 person households; \$0 for all others;								
Eligibility of Pure PA Households		Automatically Eligible (AFDC or SSI)			Automatically Eligible (AFDC, SSI, or GA)					
Benefit Calculation		Benefit = Maximum benefit minus 30% of net income								
SSI Cashout States		California, Wisconsin			California only					
Monthly Food Stamp Net Income Screen	Unit Size	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>
	1	524	654	603	552	691	635	568	709	653
	2	702	877	808	740	926	851	766	957	881
	3	880	1,100	1,013	929	1,161	1,068	965	1,205	1,110
	4	1,059	1,324	1,218	1,117	1,396	1,285	1,163	1,454	1,338
	5	1,237	1,547	1,428	1,305	1,631	1,501	1,361	1,702	1,566
	6	1,415	1,770	1,628	1,494	1,866	1,718	1,560	1,950	1,795
	7	1,594	1,994	1,833	1,682	2,101	1,935	1,758	2,199	2,023
	8	1,772	2,217	2,038	1,870	2,336	2,151	1,956	2,447	2,251
	additional	+ 179	224	+ 205	+ 189	+ 235	+ 217	+ 199	+ 249	+ 229
Monthly Maximum Food Stamp Allotment	Unit Size	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>
	1	105	137	172	111	142	181	111	143	182
	2	193	252	316	203	261	333	203	262	335
	3	277	361	452	292	374	477	292	376	480
	4	352	459	574	370	475	606	370	477	609
	5	418	545	682	440	564	720	440	567	724
	6	502	655	819	528	677	864	528	680	868
	7	555	723	905	584	748	955	584	752	960
	8	634	827	1,034	667	855	1,091	667	859	1,097
	additional	+ 79	+ 103	+ 129	+ 83	+ 107	+ 136	+ 83	+ 107	+ 137

TABLE G.1 (continued)

Analysis Year		<i>September 1994</i>			<i>September 1995</i> Mickey Leland Childhood Hunger Relief Act of 1993			<i>September 1996</i> Personal Responsibility and Work Opportunity Reconciliation Act of 1996		
Gross Income Eligibility		<= 1.3 * Poverty Line								
Net Income Eligibility		<= Poverty Line								
Asset Eligibility		\$2000; \$3000 for elderly households								
Minimum Benefit		\$10 for 1 and 2 person households; \$0 for all others;								
Eligibility of Pure PA Households		Automatically Eligible (AFDC/TANF, SSI, or GA)								
Benefit Calculation		Benefit = Maximum benefit minus 30% of net income								
SSI Cashout States		California only								
Monthly Food Stamp Net Income Screen	Unit Size	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>
	1	581	725	670	614	767	706	623	779	718
	2	786	982	905	820	1,025	944	836	1,045	963
	3	991	1,239	1,140	1,027	1,284	1,181	1,050	1,312	1,208
	4	1,196	1,495	1,375	1,234	1,542	1,419	1,263	1,579	1,453
	5	1,401	1,752	1,610	1,440	1,800	1,656	1,476	1,845	1,698
	6	1,606	2,009	1,845	1,647	2,059	1,894	1,690	2,112	1,943
	7	1,811	2,265	2,080	1,854	2,317	2,131	1,903	2,379	2,188
	8	2,016	2,522	2,315	2,060	2,575	2,369	2,116	2,645	2,433
	additional	+ 205	+ 257	+ 235	+ 207	+ 259	+ 238	+ 214	+ 267	+ 245
Monthly Maximum Food Stamp Allotment	Unit Size	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>
	1	112	147	187	115	147	193	119	153	198
	2	206	271	343	212	271	354	218	280	364
	3	295	388	492	304	388	508	313	401	522
	4	375	492	625	386	492	645	397	510	663
	5	446	585	742	459	585	766	472	605	787
	6	535	702	890	550	702	919	566	726	945
	7	591	776	984	608	776	1,016	626	803	1,044
	8	676	887	1,125	695	887	1,161	716	918	1,193
	additional	+ 85	+ 111	+ 141	+ 87	+ 111	+ 145	+90	+ 115	+ 149

TABLE G.1 (continued)

Analysis Year		<i>September 1997</i>			<i>September 1998</i>			<i>September 1999</i> Agricultural Research, Extension and Education Reform Act of 1998; Effective November 1, 1998		
Gross Income Eligibility		<= 1.3 * Poverty Line								
Net Income Eligibility		<= Poverty Line								
Asset Eligibility		\$2,000; \$3,000 for elderly households								
Minimum Benefit		\$10 for 1 and 2 person households; \$0 for all others;								
Eligibility of Pure PA Households		Automatically Eligible (TANF, SSI, or GA)								
Benefit Calculation		Benefit = Maximum benefit (household size) - .3 x Food Stamp Net Income								
SSI Cashout States		California only								
Monthly Food Stamp Net Income Screen	Unit Size	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>
	1	645	805	743	658	823	756	671	840	772
	2	864	1,079	994	885	1,106	1,017	905	1,131	1,040
	3	1,082	1,352	1,245	1,111	1,390	1,278	1,138	1,423	1,309
	4	1,300	1,625	1,495	1,338	1,673	1,539	1,371	1,715	1,577
	5	1,519	1,899	1,746	1,565	1,956	1,800	1,605	2,006	1,845
	6	1,737	2,172	1,997	1,791	2,240	2,060	1,838	2,298	2,114
	7	1,955	2,445	2,248	2,018	2,523	2,321	2,071	2,590	2,382
	8	2,174	2,719	2,499	2,245	2,806	2,582	2,305	2,881	2,650
	additional	+ 219	+ 274	+251	+ 227	+ 284	+ 261	+ 234	+ 292	+ 269
Monthly Maximum Food Stamp Benefits	Unit Size	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>
	1	120	153	198	122	154	197	125	157	197
	2	220	280	364	224	283	361	230	287	362
	3	315	401	522	321	405	517	329	412	518
	4	400	510	663	408	514	657	419	523	658
	5	475	605	787	485	611	780	497	621	781
	6	570	726	945	582	733	936	597	746	938
	7	630	803	1,044	643	810	1,035	659	824	1,036
	8	720	918	1,193	735	926	1,183	754	942	1,185
	additional	+ 90	+ 115	+ 149	+92	+ 116	+ 148	+ 94	+ 118	+ 148

TABLE G.1 (continued)

Analysis Year		September 2000			FY 2001			FY 2002		
Gross Income Eligibility		<= 1.3 * Poverty Line								
Net Income Eligibility		<= Poverty Line								
Asset Eligibility		\$2,000; \$3,000 for elderly households								
Minimum Benefit		\$10 for 1 and 2 person households; \$0 for all others;								
Eligibility of Pure PA Households		Automatically Eligible (TANF, SSI, or GA)								
Benefit Calculation		Benefit = Maximum benefit (household size) - .3 x Food Stamp Net Income								
SSI Cashout States		California only								
Monthly Food Stamp Net Income Screen	Unit Size	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>
	1	687	860	791	696	870	800	716	895	825
	2	922	1,154	1,061	938	1,172	1,078	968	1,210	1,114
	3	1,157	1,447	1,331	1,180	1,475	1,356	1,220	1,525	1,403
	4	1,392	1,740	1,601	1,421	1,770	1,635	1,471	1,840	1,692
	5	1,627	2,034	1,871	1,663	2,080	1,913	1,723	2,155	1,981
	6	1,862	2,327	2,141	1,905	2,382	2,191	1,975	2,470	2,270
	7	2,097	2,620	2,411	2,146	2,685	2,470	2,226	2,785	2,560
	8	2,332	2,914	2,681	2,388	2,987	2,748	2,478	3,100	2,849
	additional	+ 235	+ 270	+ 270	+ 242	+ 303	+ 279	+ 252	+ 315	+ 290
Monthly Maximum Food Stamp Benefits	Unit Size	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>	<u>US</u>	<u>AK</u>	<u>HI</u>
	1	127	158	199	130	160	199	135	167	204
	2	234	290	365	238	294	366	248	307	374
	3	335	415	523	341	421	524	356	440	536
	4	426	528	664	434	535	665	452	559	680
	5	506	627	789	515	635	790	537	663	808
	6	607	752	947	618	762	948	644	796	970
	7	671	831	1,047	683	842	1,048	712	880	1,072
	8	767	950	1,196	781	963	1,198	814	1,006	1,225
	additional	+ 96	+ 119	+ 150	+ 98	+ 120	+ 150	+ 102	+ 126	+ 153

Notes: Eligibility parameters are for the 50 states and the District of Columbia. Puerto Rico is excluded from data for 1976 and 1978 in order to be consistent with other years, and Guam and the Virgin Islands are excluded for all years.

FY 2003 eligibility parameters are presented in Table C.3.

^aA reduction in the maximum benefit between 1992 and 1993 was prevented by an amendment to the Food Stamp Act of 1977 P.L. 102-351).