

Background

This report is the latest in a series presenting estimates of the percentage of eligible persons, by State, who participate in the Food Stamp Program. The participation rate – a ratio of the number of participants to the number of people eligible for benefits – is an important measure of program performance.

The report presents food stamp participation rates for States in an average month in fiscal year 2002 and the two previous fiscal years. These estimates are lower than the estimates in previous reports for several reasons. Although the average monthly number of participants rose about 2 million across all States from fiscal year 2000 to 2002, even more families and individuals became eligible for program benefits. The expansion in the eligible population reflects (a) the updated limits on the value of vehicles than an eligible household can own, (b) the program's response to changing economic conditions, and (c) technical changes that improved the accuracy of the estimates. Nationally, the participation rate among eligible persons declined from 55.7 percent in fiscal year 2000 to 53.8 percent in fiscal year 2002.

Findings

- **Food stamp participation rates continue to vary widely among States in fiscal year 2002.** Estimated rates were below 45 percent in some States and above 65 percent in others.
- **Some States have had consistently high participation rates relative to other States.** In all three years from 2000 to 2002, Oregon, Hawaii, West Virginia, Missouri, Louisiana, Kentucky, the District of Columbia, Michigan, and Vermont had significantly higher participation rates than two-thirds of the States. Tennessee, Alaska, and Vermont had significantly higher rates than half of the States.
- **Some States have had consistently low participation rates relative to other States.** Kansas, New Hampshire, Colorado, Florida and New Jersey had significantly lower rates than half of the States in all three years. Texas, North

Carolina, Idaho, Utah, Nevada, and Massachusetts had significantly lower rates than two-thirds of the States.

- **In most States, participation rates remained unchanged between fiscal year 2000 and 2002.** Although the margin of error when estimating changes in State rates over short periods can be substantial, the data suggest that food stamp participation rates may have improved in Oregon, Indiana and Arizona. Participation rates may have declined in Hawaii, West Virginia, the District of Columbia, Maine, Vermont, Pennsylvania, New York and New Jersey.

The estimates are derived using a statistical approach known as shrinkage estimation that draws on data from the Current Population Survey, decennial census, and administrative records. The shrinkage estimator averages direct sample estimates of participation rates with predictions from a regression model based on indicators of socioeconomic conditions. Shrinkage estimates are substantially more precise than direct sample estimates from the Current Population Survey even though larger sample sizes in recent years improved the precision of direct estimates for States with smaller populations. Nevertheless, the estimated participation rates are still based on fairly small samples of households in many States, and the uncertainty associated with these estimates is substantial. Users of these data should take the estimated confidence intervals into account when interpreting differences between States and within a State over time.

For More Information

Castner, L.A., and A.L. Schirm (2005). *Reaching Those in Need: State Food Stamp Participation Rates in 2002*. Prepared by Mathematica Policy Research, Inc., for the Food and Nutrition Service. (Available on-line at www.fns.usda.gov/fns.)

Office of Analysis, Nutrition, and Evaluation (2004). *Explaining Changes in Food Stamp Participation Rates*. Alexandria, VA: U.S. Department of Agriculture. (Available on-line at www.fns.usda.gov/fns.)

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