



04-03-09

Food Stamp increase to benefit families, economy & farmers

By Agri-Pulse Staff

© Copyright Agri-Pulse Communications, Inc.

Food stamps – now known as SNAP benefits –got a raise on April 1 thanks to the latest federal stimulus bill. Result: more food for hungry families – and more sales of farm commodities since food stamp spending goes for food and is immediate.

At Philadelphia’s Reading Terminal Market Friday, Agriculture Secretary Tom Vilsack announced that monthly benefits for the 32.2 million recipients of Supplemental Nutrition Assistance Program (SNAP) increased as of April 1. The increase was included in the American Recovery and Reinvestment Act of 2009 (ARRA) and was designed to help people purchase nutritious foods and stimulate the economy. SNAP, formerly known as the Food Stamp Program, is the primary federal program for combating hunger and improving the nutrition and health of low-income children, individuals and families.

“President Obama and I are committed to ending hunger in America and this increased funding will provide additional nutrition assistance to millions of low-income individuals and families,” Vilsack said. “This increase, part of President Obama’s Recovery Act, will stimulate the economy, as every \$5 in new SNAP benefits generates \$9.20 in total economic activity.”

The Reading Terminal Market is the largest redeemer of SNAP benefits in the state of Pennsylvania, with 15 merchants accepting \$1.1 million in SNAP benefits last year. Reading Terminal is the largest and oldest continually operating farmers’ market in Philadelphia and among the oldest in the United States. It is the city’s main destination for fresh, local foods including produce, meats, seafood, dairy, and poultry. The 15 vendors at Reading Terminal Market who accept SNAP benefits in exchange for fresh and locally produced foods, and others like them, are a central part of USDA’s mission to make sure Americans are healthy eaters.

Starting in April 2009, most four-person households will receive an \$80 increase in their monthly SNAP allotment. States will add the increased amounts to SNAP recipients’ electronic benefit transfer (EBT) cards for clients to use at authorized retailers including grocery stores, supermarkets, and farmers’ markets. The amount of increase varies by the household size as outlined in the chart below.

SNAP also provides a significant boost to local economies. SNAP recipients will likely spend the increased benefits quickly. Eighty percent of all benefits are redeemed within two weeks of receipt, and 97 percent are spent within a month. Every \$5 in new SNAP benefits generates \$9.20 in total economic activity. By injecting immediate revenue streams into local businesses, SNAP helps accomplish another primary goal of ARRA - stimulating the American economy.

In addition, ARRA provides a total additional \$300 million for states in fiscal years 2009 and 2010 to assist with the administration of SNAP. USDA released the first \$145 million in FY2009 funds to states in March.

Supplemental Nutrition Assistance Program Monthly Benefit Increase

Persons in Household	Increase In Benefit
1	\$24
2	\$44
3	\$63
4	\$80
5	\$95
6	\$114
7	\$126
8	\$144

Each additional person adds \$18