Hunger Task Force Position

- AB 110 will be costly and inefficient for the State of Wisconsin to implement and maintain.
- AB 110 will increase the on-going cost of doing business for grocers.
- AB 110 prescribes food choices that are intended for pregnant and nursing women, infants and children on all food stamp recipients without evidence of need.
- AB 110 prescribes food choices for low-income households without regard to cultural preference or the ability to reach stores which sell a full complement of the limited food options.

**Hunger Task Force OPPOSES enactment of AB 110, Substitute Amendment 1**

**BACKGROUND**

FoodShare is Wisconsin’s name for the Supplemental Nutrition Assistance Program (SNAP), traditionally called Food Stamps. SNAP is an entitlement program of the U.S. Department of Agriculture, administered in Wisconsin by the Department of Health Services (DHS).

**ANALYSIS**

AB 110 limits 67% of FoodShare purchases to WIC eligible foods plus beef, pork, chicken, fish and fresh produce including white potatoes. WIC is designed to meet the nutrition needs of pregnant mothers, infants and children, not the general population. This modification to the FoodShare program is done without reference to science, practicality, efficacy, effectiveness or implementation and continuity costs.

1. There has been no consideration given to the cultural food preferences of different racial or ethnic groups, or to the very real limitations on access to healthy food that confront many low-income households.

2. The WIC program was designed to meet the nutrition needs of pregnant mothers, infants and children, not the general population. The addition of meats and fresh produce (not uniformly available on a regular or cost-effective basis in all communities throughout the year) does not guarantee a balanced, healthy or sufficient diet for older children, adults or senior citizens that are using Food Share.

3. FoodShare is used by eligible low-income families through an electronic benefits transfer (EBT) card called the Quest card. Purchases are scanned and totaled, the Quest card is swiped through an EBT reader, the purchaser enters a four digit PIN, and the cost of food items is deducted from the Quest account. The Quest card is federally mandated to be interoperable between U.S. States.
Limiting the foods that can be purchased with 67% of a FoodShare allocation will require a significant upfront financial investment to modify the Quest EBT system by the Wisconsin Department of Health Services. In the unlikely event that the USDA grants a waiver to allow this program to go into effect, it remains doubtful that the federal government will share the cost of developing this EBT technology.

4. AB 110 commits the State of Wisconsin to covering costs incurred by to grocers to implement this program. This cost will be substantial. This is a questionable use of limited state tax dollars.

5. AB 110 will add complications and inefficiencies that will increase the cost of doing business as a grocer.
   - AB 110 requires that grocery store clerks become the State’s “food police,” monitoring and allowing or disallowing FoodShare customer purchases.
   - The 67% limit and the requirement that the Quest Card be swiped twice adds a burdensome complication to the grocery check-out process which will slow down shopping lines in grocery stores, costing grocers time and money.
   - AB 110 will add a layer of complexity to self-service check-out stands that may undercut their utility for time and cost savings to grocers and shoppers.
   - Rather than submit to the bureaucratic red-tape created by this measure, some grocers may choose to stop participating in the FoodShare program.

6. The USDA Food and Nutrition Service must approve any limitations on food that can be purchased with SNAP / FoodShare. The USDA is on record opposing such limitations and has already rejected similar requests for waivers.

   The USDA has programs in place that seek to improve the nutrition and health of SNAP through health and nutrition education (SNAP-ED) rather than mandating what they eat. Increasing SNAP availability and incentives in Farmers’ Markets is having success in Michigan.

7. Hunger Task Force works to feed hungry people with respect and dignity. Hunger does not respect age, sex, race or background. Many visitors to local pantries and soup kitchens never would have anticipated the unforeseen circumstances that put them in the position of asking for help. We do not believe that people struggling to feed themselves are second class citizens. One of the benefits of the FoodShare program is it gets people out of the food pantry system and into the grocery store. Citizens should be able to choose what they can purchase and eat, and use the same check-out lane.
FOODSHARE FACTS:

- Studies have consistently shown that participation in federal anti-hunger programs such as SNAP do not increase the likelihood of being overweight or obese.¹

- According to Center for Budget and Policy Priority, fruits and vegetables, grain products, meats, and dairy products comprise almost 90 percent of the food that SNAP households buy.²

- SNAP participation has been found to reduce food insecurity for households.³

- Food insecurity has been found to have many negative impacts on the health of individuals including higher rates of diabetes, heart disease, and depression.⁴

- Almost 845,000 people (one in seven) in Wisconsin currently use SNAP / FoodShare benefits.⁵
  In 2012, more than 1.085 million people (one in six) in Wisconsin received SNAP / FoodShare.⁶

- 62% of FoodShare recipients are either minors (43%) or elderly, blind or disabled (19%).
  34% of FoodShare households have at least one person working. 39% of adult recipients are employed.⁷

- For the period 2000 – 2009 SNAP benefits decreased the severity of child poverty by 21.3%, and poverty overall by 13.2% nationally.⁸

- 14% of Wisconsin households struggled with food hardship in 2011.⁹

- The average allotment per SNAP/FoodShare household in Wisconsin is $248 per month.¹⁰

- 100% of FoodShare benefits are paid by the federal government. Program administration is shared equally between the state and federal governments.¹¹

- Wisconsin Economic Impact of SNAP / FoodShare:
  - $1.00 of FoodShare generates $1.79 in local economic activity.¹²
  - Wisconsinites received more than $1.178 billion in FoodShare benefits in 2012,¹³ which generated more than $2.108 billion dollars in economic activity.

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³ Does SNAP decrease food insecurity?; USDA Economic Research Service Report Number 85, October 2009
⁵ Wisconsin Department of Health Services (January, 2013)
⁶ Ibid
⁷ FoodShare Wisconsin Program at a Glance, January 2013 Wisconsin Department of Health Services
⁹ Food Hardship in America 2012, Food Resource and Action Center, February 2012
¹⁰ FoodShare Wisconsin Program at a Glance, January 2013 Wisconsin Department of Health Services
¹¹ Wisconsin Legislative Fiscal Bureau “Food Share Wisconsin”. January 2011, pg. 5
¹³ Wisconsin Department of Health Services (January, 2013)