

Hunger Under the Big Sky



How Montana can improve the
Food Stamp Program and help eliminate
hunger for low-income families

Northwest
Federation of
Community
Organizations



Montana People's Action (MPA)

December 2001

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Northwest Federation of Community Organizations (NWFCO)
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Executive Summary

“My family receives food stamps each month worth \$145, an amount that barely gets us through the month. I always make sure that my children eat first and I frequently skip a meal in order to guarantee at least a little bit of nourishment for my growing girls. I don’t have a car, and I have to shop at the local grocery store where the prices are extremely high. I’ve tried to get food donations in the past, but what I received was old and out of date. My two children have unfortunately gone to bed at night with empty stomachs.”

— Tracy Romero, mother of 12-year-old and two-year-old daughters
Billings, Montana

Low-income families in Montana are struggling. They are struggling to find jobs that pay a living wage. They are struggling to pay rising utility, housing, and health care costs. Most importantly, low-income families in Montana are struggling to put nutritious food on their tables. Without enough nutritious food, children go to school with empty stomachs, reducing their ability to learn. Their parents, who often go without food to feed their children, go to work without the energy that nutritious meals provide. Access to affordable and nutritious food is one of the most important factors in raising a healthy family.

Throughout Montana, there exist programs and institutions with the goal of alleviating and preventing hunger in low-income families. Food banks have traditionally been the main source of emergency food assistance for many low-income families. However, an increasing number of families in Montana are finding hunger and food insecurity to be more than just a short-term emergency. The Montana Food Bank Network reports that the number of annual visits to its food assistance programs has tripled since 1993. For food banks in Montana this means that low-income families are utilizing the food resources of the food bank faster than they can be replaced. In 1999, the Montana Food Bank Network was unable to provide 136,495 pounds of food requested by its agencies due to a shortage of available food.

In Montana, there exists one important hunger-prevention tool with the potential to relieve or eliminate hunger for many low-income families: the long-established Food Stamp Program. In 2000, the program was able to relieve hunger for over 25,000 families in Montana. Nearly all families receiving food stamps officially live in poverty, which means that they have insufficient income to meet their basic needs. Without access to the Food Stamp Program, these families would have a difficult time obtaining the food and nutrition they need to eat a healthy diet.

Despite the fact that the Food Stamp Program provides thousands of Montana families with vital access to food, Montana has failed to enroll many eligible families who desperately need access to reliable nutrition. More than 40 percent of Montana's eligible food stamp population is not participating in the program. One of the most important benefits of the Food Stamp Program is that it acts as an anti-recessionary tool, providing cash assistance to families in need. With Montana facing a depressed economy similar to the rest of the nation, it becomes even more important to reach out to all those families eligible for the Food Stamp Program.

Montana Peoples Action (MPA) surveyed 100 low-income families for this report to document the struggles families endure to provide healthy meals. The families were interviewed regarding how they obtain and prepare food, their ability to meet their families' food needs, and their experiences with the Food Stamp Program. The 100 in-depth interviews with low-income families in Montana reveal that these families are struggling to provide the nutritious and affordable meals they need.

The studies findings include:

- Seventy-four adults and 40 children said they skipped a meal or ate less in the past year.
- Sixty-three adults and 53 children said they haven't had enough money to buy sufficient food in the past month.
- Thirty-one families could only provide a balanced, nutritious dinner at most three times a week. Forty-two families had this same problem with lunches.
- Nearly all food stamp families reported difficulties when they applied for the Food Stamp Program.

Hunger under the Big Sky presents clear, achievable policy solutions that local food stamp offices and the Montana Department of Public Health and Human Services can adopt to improve and streamline the Food Stamp Program. Many of these solutions can increase participation, reduce barriers to access, and reduce Montana's error rates. Because of how the Food Stamp Program is financed, these options will cost Montana nothing and bring more money back to the state.

By improving the Food Stamp Program at the state and local levels, Montana can make great strides toward eliminating hunger for all low-income families.

Introduction

Montana is facing problems experienced by many other Western states. Wages are either declining or stagnating and the cost of living is increasing, forcing more and more families into poverty. When a family falls prey to poverty, it falls prey to hunger as well. For years, the federal Food Stamp Program has been at the heart of America's war against hunger. However, the effectiveness of the Food Stamp Program has been damaged in recent years by federal changes made in 1996 which cut \$28 billion dollars from the program.

For low-income Montana families, these cuts in the Food Stamp Program have resulted in an endless array of barriers and difficulties when applying and enrolling for the program. With Montana's hunger rate climbing to more than 10 percent of the population, a strengthened Food Stamp Program will help prevent hunger in low-income families.

This report will look at the problem of hunger in Montana and propose innovative solutions that Montana can implement at the local and state levels to improve the Food Stamp Program.

Section one of the report shows that Montana families do not have access to sufficient nutritious, affordable food. It relies on data collected from MPA's survey administered to 100 families throughout Montana as well as data from government sources to show that many families are going without needed food.

Section two of the report proposes solutions that Montana can implement to strengthen the Food Stamp Program and help hungry families. Montana can strengthen the Food Stamp Program by taking action at two levels: local food stamp offices can reduce barriers to access and Montana's Department of Public Health and Human Services can implement streamlining options made available to them by the federal government.

Section I: Montana families do not have access to nutritious, affordable food

Montana's state economy is failing to create jobs that provide a living wage to all workers.¹ Housing, utility, and food prices in Montana are rising beyond the capacity of many low-income families' monthly budgets.² Declining real wages combined with rising costs of living forces many Montana families to choose between which basic needs to satisfy and which to forgo. For many low-income Montana families, this means going hungry or surviving on food that does not meet minimum nutritional standards.

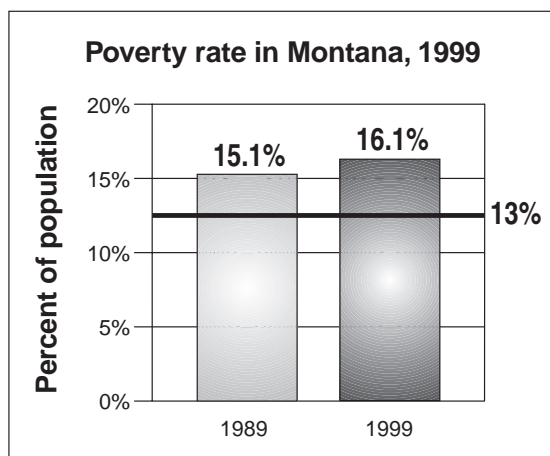
Montana's economy is not creating jobs that pay a living wage and prevent poverty.

One of the most crucial requirements for getting out of and preventing poverty for families is the availability of jobs that provide a living wage. These jobs allow families to pay for their most basic needs without using public assistance programs. In

Montana, the living wage is equal to \$15.88 or more an hour for a single adult with two children. Montana, however, has failed to create these living wage jobs. According to a recent University of Washington study, 82 percent of all job openings in Montana fail to provide a living wage, the worst percentage in the Northwest.³ Montana also has the most severe job gap ratio for living wage jobs in the Northwest — 16 job seekers for every one living wage job opening.⁴ In 1999, 39 percent of jobs in Montana paid below the wage needed to lift a family of four above the poverty line with full-time, full-year work.⁵

| Montana lacks living wage job opportunities | |
|---|--|
| Living wage | \$15.88 |
| Job openings failing to provide a living wage | 82% |
| Living wage job gap ratio | 16 job seekers for 1 living wage job opening |

Personal incomes in Montana are also far below national average. In 1999, Montana families made 77 percent of the average national per capita income.⁶ Families in rural counties fared worse than families in metropolitan areas of Montana, making only 72 percent of the average national per capita income.⁷



With personal incomes falling below the national average and a scarcity of living wage jobs, many Montana families are officially living in poverty. The poverty rate in Montana grew during the 1990s from 15.1 percent in 1988–1989 to 16.1 percent in 1997–1998, significantly higher than the national average of 13.0 percent in 1997 - 1998.⁸ According to the U.S. Census Bureau's most recent figure, 21.3 percent of the children in Montana live in poverty, more than one out of five children — a rate that also exceeds the national average.⁹

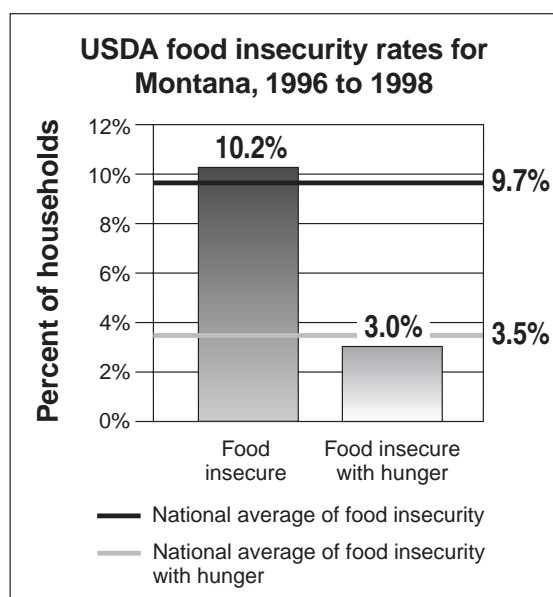
Housing and energy costs in Montana are high.

In addition to the lack of living wage jobs, Montana residents face high housing and utility costs. According to the National Low Income Housing Coalition (NLIHC), 44 percent of renters in Montana are unable to afford the fair market rate for a two-bedroom apartment. To afford a two-bedroom rental, a minimum wage worker in Montana would need to work 73 hours a week. For a person to work the average 40 hours per week, they would need to earn a minimum of \$9.45 per hour to afford that same two-bedroom rental, 183 percent of the present minimum wage of \$5.15 per hour in Montana.¹⁰

Housing costs are not the only expense low-income Montana families need to be increasingly concerned with. NWFCO's survey found that for Montana families not on food stamps, their utility costs increased 14 percent from a year ago. Families on food stamps saw a 42 percent increase in their utility costs from a year ago. Although low-income households often consume less energy than an average household, the income burden of energy costs on those households is almost twice that of average households.¹¹

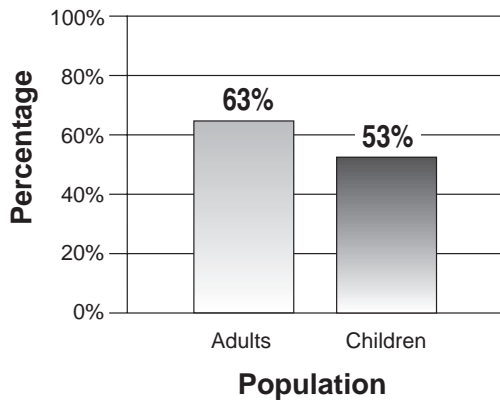
Data from the Department of Energy shows that gasoline prices without taxes in Montana have increased from near \$0.50 a gallon in the early part of 1999 to over a \$1.20 a gallon during most of 2000 and May 2001.¹² Residential natural gas prices in Montana have also seen dramatic price increases over the past three years, rising from \$4.76 per thousand cubic feet in January 1999 to \$6.60 per thousand cubic feet in January 2001.¹³

The lack of living wage jobs, high poverty levels, and increased costs of living has resulted in large numbers of hungry families in Montana.



With real wages declining and the costs of living increasing in Montana, many low-income families are having to reduce the amount of food they eat in order to afford other costs of living. For many low-income families across Montana, this means succumbing to the dangerous condition of hunger. Hunger can affect both adults and children and lead to debilitating physical and psychological problems. Nationally, families living below the federal poverty line (\$17,650 for a family of four) are three and a half times more likely to be food insecure than the general population.¹⁴ Households with children also experience higher food insecurity rates than those without children; they are twice as likely to be food insecure. Between 1996 and 1998, 10.2 percent of Montana's population was food insecure, higher than the national average of 9.7 percent.¹⁵

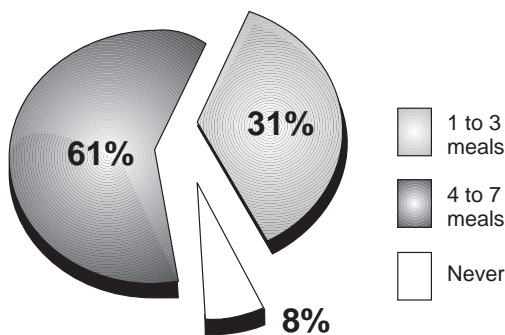
Percentage of people in Montana who went hungry last month because they had no money for food



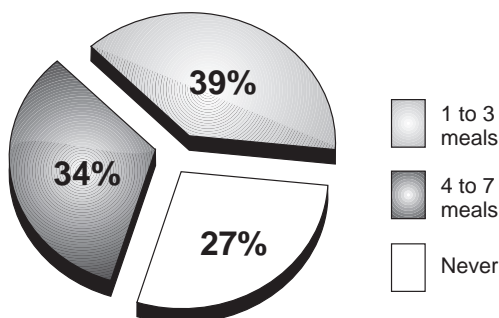
MPA's survey of 100 low-income families found that many suffer from hunger.

- Seventy-four adults and 40 children reported they skipped a meal or ate less at least once in the past year.
- Sixty-three adults and 53 children reported they did not have enough money to buy sufficient food in the past month.
- Nearly 40 families said they could only provide a balanced, nutritious breakfast or lunch at most three times a week.
- Thirty-one families said they could only provide a balanced, nutritious dinner at most three times a week.
- Twenty-seven families said they could never provide a balanced, nutritious breakfast each day.
- Twenty-one families said they could never provide a balanced, nutritious lunch each day.

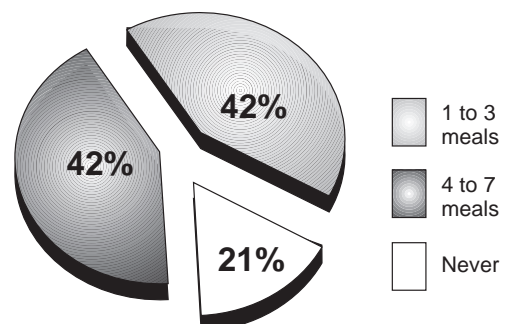
Number of times per week Montana families can afford to eat dinner



Number of times per week Montana families can afford to eat breakfast



Number of times per week Montana families can afford to eat lunch



Lack of food has a detrimental effect on the health of children.

Hunger harms children in many ways, beyond the immediate misery it causes. Health problems are frequent among children who face hunger.¹⁶ Hungry children suffer two to four times as many health problems, including unwanted weight loss, fatigue, headaches, and irritability. Hunger also causes children to suffer from frequent colds and difficulty concentrating. Inadequate nutrition is also linked to stunted growth and iron deficiency anemia.

Hunger and poor nutrition affect a child's ability to learn and perform in school. Children who are hungry have difficulty concentrating in school and do not do as well as others on assigned tasks. These problems can delay or disrupt a child's education and result in lifelong consequences for the child and society. Inadequate nutrition also has a negative effect on a child's cognitive development. A 1998 study of low-income Philadelphia and Baltimore public elementary schools found that hungry children suffered from higher levels of hyperactivity, absenteeism, and tardiness.¹⁷ The study found that when these schools implemented the School Breakfast Program, children's participation in the program led to greater achievement in math and decreased rates of absence and tardiness. Teens and adults who suffered from hunger when they were young are more aggressive and become frustrated more easily than those who didn't suffer from hunger as children.¹⁸ Food deprivation is also related to depression and anxiety.



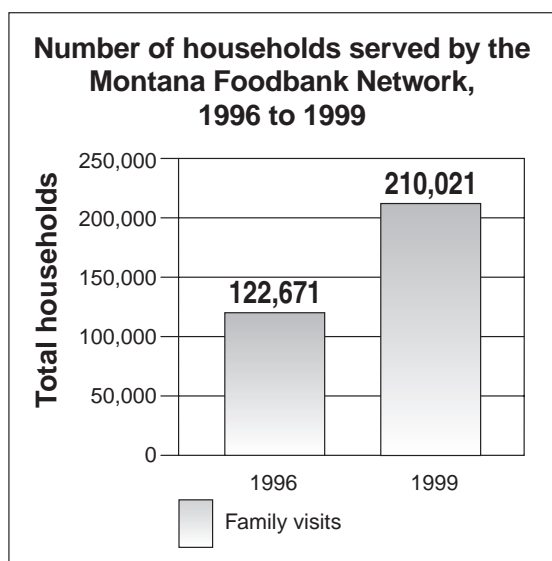
Carol Ann Hovland, Lolo, Montana

My name is Carol Ann Hovland and I am a disabled woman living in a small town near Missoula, Montana. I have a limited income of \$548 a month, which comes from both Disability and Social Security. In addition to this money, I have a Section 8 subsidy for my housing, and I currently receive \$36 a month in food stamps.

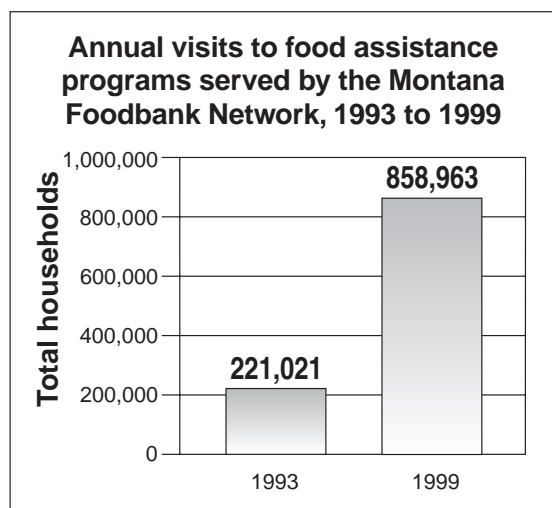
Most months the food stamp benefits are all I have to buy food. My income barely covers my rent, utilities, medications, upkeep of my car, and household and personal items that food stamps cannot be used for. With increasing utility costs, my income probably won't even cover these necessities next winter.

The lack of enough food stamps has had a big impact on my life. I eat mostly carbohydrates because that is all I can afford to buy. I get very little protein, and as a result, I am tired all the time. My overall health has deteriorated and my immune system doesn't protect me like it should. Living with a disability has impacted my life enough; not having enough food and a balanced diet is an added burden that I should not have to face. I believe that if I was able to receive more assistance, I could eat a more nutritious diet, allowing me to improve my health and quality of life.

Food banks in Montana are already overwhelmed and cannot meet the growing need for food assistance in the state.



For many hungry low-income families in Montana, local food banks have become an increasingly important source of food. While food banks play an important role in assisting people with temporary emergency food needs, they lack the resources and capacity to provide an uninterrupted balanced diet to all of those who need it. The increased use of food banks by low-income families has resulted in food banks turning away hungry families due to a lack of resources. America's Second Harvest, the nation's largest food bank network, reports that in 2000, over one million people seeking emergency food assistance were turned away due to lack of food resources at local food banks.¹⁹



This national trend of overwhelmed and resource-limited food banks is affecting Montana as well. According to the Montana Food Bank Network, a statewide food distribution organization, the number of visits annually to food assistance programs served by the Network has nearly tripled from 221,021 in 1993 to 858,963 in 1999. The number of households served by the Network annually increased 71 percent from 122,671 in 1996 to 210,021 in 1999.²⁰

Section II: Montana can help hungry families by strengthening the Food Stamp Program at the local and state level

There should be a partnership between the private sector and the government sector. The private non-profit sector should not be solely responsible for meeting the needs of the entire population. We need to work together to build a hunger-free community.

— Cynthia Roney
Executive Director, Missoula Food Bank

The largest and most effective anti-hunger public assistance program in Montana is the Food Stamp Program. The Food Stamp Program provided over 25,000 families in Montana with some means to purchase food for a nutritious diet in 1999. More than half of these Montana households included children, one-fourth included a person with disabilities, and one-fifth included an elderly person.²¹ Approximately 89 percent of food stamp households live in poverty, which means that they have insufficient income to meet their basic needs.²² Without access to food stamps, these families would have a difficult time obtaining the food they need to stay healthy.

The Food Stamp Program is a particularly effective program for low-income families in Montana for many reasons. The program is national in scope and provides uniform benefits based on need to families across the country. The Food Stamp Program is an effective anti-recessionary tool that puts money in the hands of low-income families. The Food Stamp Program can respond quickly to changes in the national and local economies. The Food Stamp Program also helps local Montana



Tracey Romero, Billings, Montana

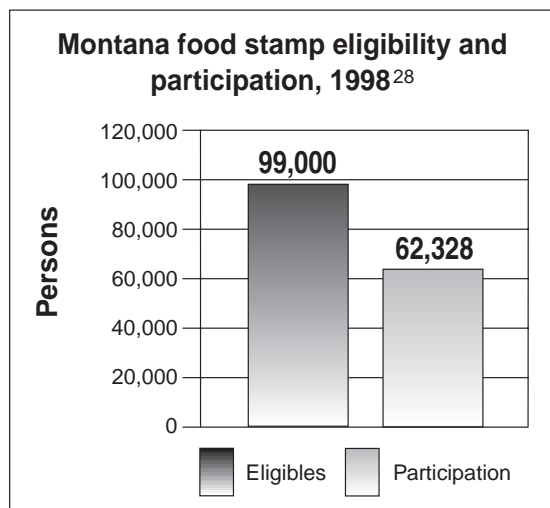
My name is Tracey Romero and I am a single mother raising 12-year-old and two-year-old daughters. I currently receive \$145 in food stamps per month, an amount that barely gets us through a few weeks. Towards the end of the month I am often forced to pawn something in order to buy food for my family. I always make sure that my children eat first; I frequently skip a meal in order to guarantee at least a little bit of nourishment for my growing girls. I have even tried to get food donations in the past, but what I received was really old and out-of-date, so I don't use

that method anymore. My two children have unfortunately gone to bed many nights with empty stomachs.

My caseworker recently informed me of some changes in the system. If utilities are included in the rent, our food stamp benefits will be reduced. For us, this means we lose \$49 a month, therefore only having \$96 to use for food. I don't know how we will survive then. If the food stamp system would reevaluate their guidelines, we could get a sufficient amount of food, and we would not have to go hungry another night.

economies by bringing in federal dollars that are spent on food at local grocery stores such as IGA and Albertson's. "Food Stamps represent a high percentage of our income," noted one grocery store official.²³ Grocery stores and their surrounding communities benefit from the more than \$53 million dollars spent on food with food stamp benefits each year in Montana.²⁴

However, in Montana, as in many other Western states, the number of people receiving benefits through the Food Stamp Program has decreased. Nationally, food stamp participation dropped by more than one-third since 1994. Since 1996, the average number of individuals served by the Food Stamp Program each month in Montana has declined 16 percent and the average number of households by 11 percent. The total amount of benefits distributed in Montana has declined 12 percent since 1996.²⁵



With hungry families representing more than 10 percent of Montana's population, this drop in program participation and benefits distributed is not due to lack of need. Montana is failing to enroll all families who are eligible for the Food Stamp Program. In 1998, more than 99,000 people were eligible for the program in Montana but only 62,328 participated, a 63 percent participation rate.²⁶ Montana has never enrolled all eligible families into the Food Stamp Program, but over the last several years, the gap has worsened. Eligibility and participation data from USDA show that nationally, only one-half to two-thirds of eligible families are participating in the program.²⁷ The eligible families in Montana not

enrolled in the program represent a *need gap* — they are likely in need of food assistance because their income is near or below the poverty line, but they aren't getting the help they need from the Food Stamp Program.

Reducing and eliminating this need gap can only come through strengthening the Food Stamp Program. Strengthening the Food Stamp Program for low-income families in Montana needs to be approached at two levels: reducing barriers to access commonly found in local food stamp offices and the implementing streamlining options through Montana's Department of Public Health and Human Services (DPHHS).

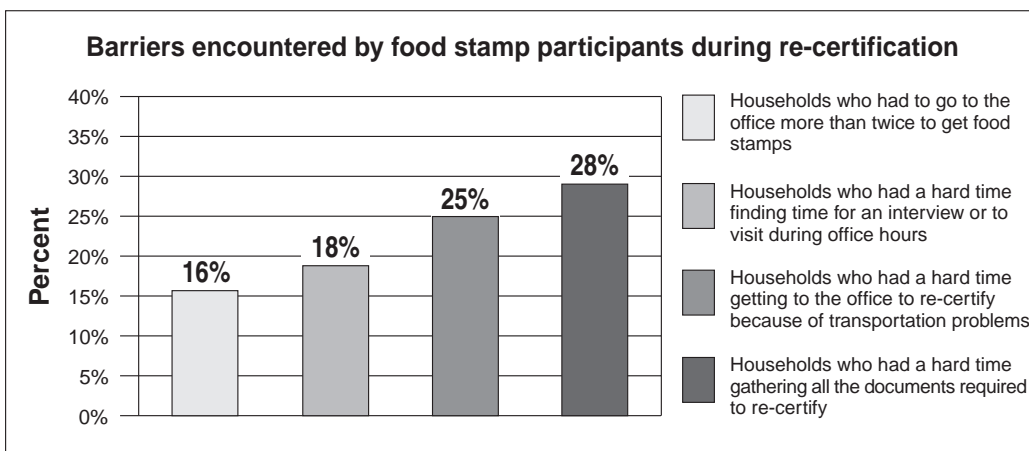
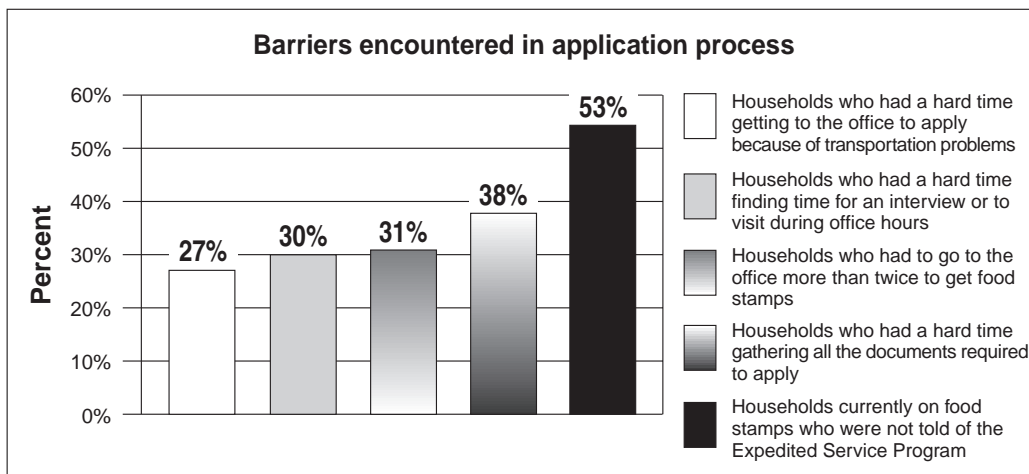
Local food stamp offices can improve the Food Stamp Program by reducing barriers to access.

While the Food Stamp Program is primarily a federal program (the federal government pays the entire cost of the benefits), Montana is responsible for enrolling eligible families in the program. The federal government and the Montana state government equally share the cost of enrollment administration. Montana has wide latitude in how it can design its enrollment system for food stamp applicants, although the state must follow some federal laws. The law requires that a local food stamp office provide food stamp applications upon request, inform applicants that they can apply for

benefits immediately, provide “expedited” service to families in crisis, and provide equal treatment to all applicants, including those who speak languages other than English.

If local offices are not enabling applicants to enroll in the program by adopting family-friendly practices, the Food Stamp Program cannot succeed no matter how strong it is at the federal level and the need gap will increase. In order for the Food Stamp Program to live up to its mission to protect the health and wellbeing of America’s families, barriers in the enrollment process must be eliminated.

Families that responded to the MPA survey described many difficulties navigating the application process. They explained that the current rules make the application process so complicated and time-consuming that it is not a practical option for some families. In many low-income households, every parent is working full-time. Many parents who qualify for food stamps are working two or more jobs. For these households, it is not possible to repeatedly meet with caseworkers during limited office hours so enrollment is impossible. Other families face similar barriers such as unclear instructions, lack of support, and excessive verification requirements. All of these barriers keep eligible families out of the program and depress participation rates.



Local food stamp agencies in Montana can take the following steps in eradicating the barriers identified in the MPA survey:

Assist families with completing applications.

Current law requires food stamp offices in Montana to provide assistance in the completion of application forms. This means that a caseworker should assist the household in verification of documents and in obtaining required documents. Food stamp offices in Montana must also allow applicants 10 days to gather all the required documents.

Provide expedited service to all eligible families. Federal law requires Montana agencies to talk with each household during the application process to determine whether the household qualifies for expedited services. If a family qualifies for expedited services, the food stamp office is required to provide these benefits in seven days or less. This service was created to ensure that families in crisis would receive food stamp benefits right away so they could quickly obtain food. Montana should ensure that caseworkers explain the availability of expedited services to applicants and that agencies provide the emergency food stamps within seven days.

Expand office hours at application sites. Some local food stamp offices in Montana have begun accepting applications after 5:00 p.m., the usual closing time for food stamp offices.²⁹ Although this is an improvement for some working families, all application sites in Montana should remain open in the evenings and should open on Saturdays. Applicants working full-time or more should not have to choose between meeting job obligations or skipping work to apply for food stamps. Caseworkers should also promptly reschedule missed appointments and accept walk-in applicants.



Judie Shelby, Billings, Montana

My name is Judie Shelby and I am 59-years old. Unfortunately, I fell and broke my hip last year, and the long, painful road to recovery has made it extremely difficult to find a job. I live alone on \$530 a month plus the extra help of \$60 a month in food stamps. Sixty dollars does not provide a month's worth of food and I am unable to afford fresh food and all the nutrients my body needs to heal correctly.

Last year my food stamps did not arrive in the mail one month. I waited about five days and then contacted my caseworker to find out what to do. I was informed that I had to wait until my food stamps came next month and that there wasn't anything else they could do for me. They told me that if I tried to get them again this month, they would kick me off the system.

I had no choice but to call the local director of the Office of Public Assistance. The director agreed to send me my food stamps for that month, but from then on I had to receive the food stamps via certified mail. This forced me to wait home the first few days at the beginning of every month or I will miss the mailman. Since I do not have an affordable means of transportation, if I missed the mailman I would have to try to arrange a ride to the post office.

Food stamps are important to me and getting them late means I have to stretch the \$60 even further. I am grateful for the assistance that I already receive, but if I could increase the amount even just a little, and obtain the food stamps on time, I wouldn't have to go to bed and wake up hungry.

Allow applicants to self-verify information. Documentation problems make every kind of barrier more onerous for families. Each time the applicant is required to produce more documents or acquire verification for documents, the problems they have with transportation, office hours, and taking time from work or family are exacerbated. Montana should allow recipients to self-verify required information like some state Medicaid programs do.

Treat applicants with respect and dignity. Applicants form many of their opinions and attitudes about the Food Stamp Program from their experiences at the food stamp office. Negative experiences sour applicants and can discourage them from completing the lengthy enrollment process. Poor treatment can also deter applicants from fully understanding the application process, creating more confusion for the applicant. Applying for the Food Stamp Program can be a disheartening experience for many families, disrespectful treatment only makes the problem worse. Local food stamp offices need to ensure that its caseworkers are as helpful and respectful to the applicant as possible.



Julie Bunton, Billings, Montana

I live with my husband, Nate, and my two young children. Nate also pays child support for his daughter from another marriage. Nate works full time for a local contractor and I do childcare out of our home. This leaves us with Nate's income of \$1,320 a month and the small income of about \$100 a month I make doing childcare.

Seven months ago, I realized that the state was calculating our food stamps incorrectly and overpaying us, so I notified them of their mistake. I was then told that I could either pay \$1,200 or give them 10 percent of my food stamps each month until it was paid off. I requested and was granted a fair hearing to dispute the claim that I owed \$1,200. The hearing occurred seven months ago and we still have not heard back on a final ruling. Since then my family has not received any food stamps.

When we were on food stamps, we typically received between \$125 and \$208 each month, but this was never enough. Healthy dinners are not cheap and we could never afford balanced meals each month on food stamps alone. For example, at \$5 for a box of cereal, it would cost my family over \$60 a month to buy enough cereal for breakfast every day. But with only \$125 a month in food stamps and our strapped budget, we can't even buy cereal for one week without a struggle.

Without food stamps we have been forced to stretch our limited budget to cover all of our food, rent, utilities and other basic necessities. We were planning for our first big Christmas with presents for the whole family, but we've had to put that on hold in case we have to find a way to squeeze \$1,200 more out of our budget.

Montana's Department of Public Health and Human Services (DPHHS) can minimize these barriers by adopting streamlining strategies.

The U.S. Department of Agriculture (USDA), the federal agency responsible for administering the Food Stamp Program, is aware of the importance of strong local offices that enroll families in the Food Stamp Program. Over the last several years, the USDA has provided Montana with the freedom to design its Food Stamp Program by offering a variety of state options. Many of these state options could be implemented at no cost to the state. These options can streamline Montana's Food Stamp Program to reduce error rates, improve access, eliminate barriers, and save the state money. Unfortunately, Montana has chosen not to exercise all of these options. Montana is free to make all of the changes that are suggested below. Adopting these policies will help ensure that all eligible families receive the food stamp benefits they need.

Streamline and shorten the application form for public assistance program. Montana has made small progress in reducing barriers for families applying for public assistance programs, including the Food Stamp Program, by integrating all public assistance program application forms into one application form. However, this application form is 16 pages and requires a 12th grade reading level. Asking long, confusing, and detailed questions and requiring families to document information that is not required for enrollment into a public assistance program will act as a barrier to needy low-income families applying for food stamps and other public assistance programs. Washington currently uses a similar application form for all public assistance programs in the state, but its length is only 4 pages. Montana should take the necessary steps to simplify, streamline, and shorten its public assistance program application form.

Expand the number and variety of venues for food stamp enrollment. DPHHS has recently expanded outside of its traditional food stamp offices and has started accepting applications at off-site locations such as the Salvation Army.³¹ Montana should continue this program of accepting applications at off-site locations, especially in rural areas of Montana. Bringing the application sites closer to applicants can reduce travel time for applicants and reduce the time applicants have to take from family and work. Montana should also encourage caseworkers to do home visits to households with transportation problems, if requested by the applicant.

Utilize co-enrollment by using information from other means-tested programs. Many means-tested programs such as the school lunch program have income eligibility levels that overlap with food stamp eligibility levels. These programs can be an effective vehicle for identifying and increasing outreach to families eligible for the Food Stamp Program and save caseworkers and families time and effort.

Expand categorical eligibility to make it easier for people to apply for and receive food stamps.

Montana has the option of using the definition of categorical eligibility broadly to allow more families to receive food stamps. For example, Oregon used categorical eligibility to eliminate the vehicle and assets test, which significantly reduces the amount of paperwork required to apply for food stamps. Oregon also used categorical eligibility to bring its food stamp income requirements into alignment with TANF income requirements. Any Oregon resident who receives a TANF-funded service or cash assistance is automatically eligible for food stamps. This allowed Oregon to expand the income requirement for food stamps from 130 percent of the federal poverty line to 185 percent of the federal poverty line, greatly increasing the number of eligible families.

Institute a three-month transitional benefit to families leaving welfare. Congress has passed into law a provision that gives Montana the option of implementing an automatic three-month transitional benefit for those who leave welfare. Currently, many who leave welfare assume that they are no longer eligible for food stamps, even though they may need assistance. Implementing the automatic transitional benefit helps Montana families to stay off welfare. This freedom from additional bureaucratic hurdles would be particularly helpful to people adjusting to new work-related obligations.

Use existing ABAWD exemptions to provide food stamps to the unemployed. Each year Montana is given a certain number of exemptions that it can give to unemployed families in counties with a high unemployment rate and to individuals not in those counties. These exemptions allow these families to receive food stamps beyond the three-month maximum in a three-year period, currently required under federal law. Montana has a surplus of these exemptions and can designate them to all able-bodied, childless adults between the ages of 18 and 50 (called ABAWDs) in the entire state. With many in Montana and across the country speaking of a possible recession and more job layoffs, it is critical that Montana utilize all of these exemptions and provide additional food stamps to unemployed adults.

Eliminate the vehicle test. Current federal policy penalizes people who have reliable cars by counting as an asset any car with a value of over \$4,650.³² In rural areas and areas with high unemployment or poor public transportation, a car is essential to obtain and maintain steady employment. A reliable car is also an essential asset for a family attempting to purchase low cost foods and live within the budget allowed by the food stamps eligibility rules and benefit levels.

Through the use of a federal waiver, Montana currently allows families to exempt one car from the vehicle test. All other vehicles are subject to an equity test. If Montana brought its food stamp resource requirements into alignment with its TANF resource requirements — through broadened categorical eligibility — it could forgo the waiver process and exempt all cars. There have been attempts at the federal level to eliminate the vehicle test from federal Food Stamp Program law. However, until such changes are made, Montana should take the necessary steps to allow working low-income families to own a car for work and other personal purposes and receive food stamps to feed their hungry families.

Conclusion

Low-income families in Montana today struggle to stretch inadequate budgets to cover the rising costs of housing, utilities, and food. Too many Montana families are forced to make the desperate choice to go hungry. Community-based solutions like food banks are important but cannot solve the hunger crisis alone. We know that hunger causes children and adults irreparable harm. Experience has shown that eliminating hunger can best be achieved by expanding and improving existing anti-hunger programs. For Montana, this means improving the Food Stamp Program at the local and state levels.

Montana can take action on improving the program at two levels: within local food stamp offices and through the Department of Public Health and Human Services. Local food stamp offices should remove barriers to enrollment that prevent low-income families from accessing the program. Montana's Department of Public Health and Human Services should focus on adopting no-cost federal options such as using categorical eligibility to increase eligibility and implementing a simplified re-certification process.

Montana has the resources and flexibility to eliminate hunger by improving the Food Stamp Program in many ways. Many of these solutions will streamline the program, reduce administrative costs, and increase program enrollment. Implementing these solutions will help ensure that no family in Montana goes hungry.

Endnotes

- 1 *Northwest Job Gap Study: Searching for Work That Pays, 2001*, Idaho, Montana, Oregon and Washington, Northwest Policy Center and Northwest Federation of Community Organizations, June 2001.
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About the organizations releasing this report

Montana People's Action (MPA) is a statewide economic justice organization with over 6,000 member families in Billings, Bozeman, and Missoula. For almost two decades, MPA has been the primary voice for low- and working-income Montanans around the issues of housing, access to credit and banking services, access to health care, economic development policy, and income security.

The Northwest Federation of Community Organizations (NWFCO) is a regional federation of five statewide, community-based social and economic justice organizations located in the states of Idaho, Montana, Oregon, and Washington: Idaho Community Action Network (ICAN), Montana People's Action (MPA), Oregon Action (OA), Washington Citizen Action (WCA), and Coalition of Montanans Concerned with Disabilities (CMCD). Collectively, these organizations engage in community organizing and coalition building in 14 rural and major metropolitan areas, including the Northwest's largest cities (Seattle and Portland) and the largest cities in Montana and Idaho.

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