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COMMITTEE ON
AGRICULTURE AND FORESTRY
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Editor, Editorial Page:

Food stamp reform has been debated intensely on the editorial pages of the Nation's newspapers over the past year.

Next week, perhaps as early as Monday, that debate will shift to the floor of the United States Senate.

The results of that debate will shape this Nation's future efforts to fulfill the goal of the Food Stamp Act of 1964: to "raise levels of nutrition among low-income households."

A week ago, I wrote to you to describe S. 3136, the Senate Agriculture Committee bill to reform the food stamp program, save \$635 million, and reduce participation by about 1.37 million higher income participants by tightening today's lax eligibility standards.

The National Food Stamp Reform Act carefully balances a number of important reforms -- a fair upper limit on incomes, replacement of itemized deductions with a standard deduction, workable incentives for employment, improved benefits for most lower-income recipients, and more realistic penalties to stop fraud and abuse.

Any number of amendments will be offered during Senate consideration of S. 3136. Some of these amendments would be unduly harsh on those Americans who need food assistance the most; others would upset the delicate balance of reforms in the Committee bill, and damage irreparably the underlying nutritional purposes of this program.

It appears now that the greatest effort to amend S. 3136 will be devoted to eliminating the requirement that the recipient pay at least a small amount for the monthly allotment of food coupons.

The Senate Committee on Agriculture and Forestry considered this proposal with great care. Its advocates failed to convince a majority of the Committee, I believe, for the following reasons:

1. Eliminating the purchase requirement, and with it the unique combination of the participant's share and the Federal share of the family's food budget, would destroy the concept of the food stamp program as a nutrition program.

2. About four billion dollars, the total amount paid by the participants, now guaranteed for food purchases by low-income families, at least in part would be released for non-food expenditures.

3. Giving away free food stamps would do away with any feeling of participation by the recipient, and diminish each household's incentive to budget wisely for a nutritionally adequate diet.

4. It would increase greatly the cost of the program -- by, I believe, two billion dollars or more.

5. The President, who has proposed regulations which would save far more money than the Committee bill, almost surely would veto a budget-busting bill that eliminates the purchase requirement -- and end all hope of legislative reform of the food stamp program this year.

If we eliminate the purchase requirement, the food stamp program becomes simply another welfare program. It would duplicate and overlap existing welfare programs. There would be no justification for continuing this separate effort.

Therefore, if the no-purchase amendment is adopted, I would favor eliminating the food stamp program as a separate effort of the Department of Agriculture, and combining it with the other welfare programs in the Department of Health, Education and Welfare.

The history of the food stamp program shows clearly that it was conceived as a nutrition program -- separate and distinct from more traditional income supplement efforts.

Americans were outraged in the 1960's to learn of widespread hunger and malnutrition in their midst. We developed a national consensus: we would not tolerate hunger in a land of agricultural abundance.

The Congress, in particular, was persuaded by the presence of hungry children and infants who were malnourished, despite existing welfare programs.

So we enacted a law to guarantee that eligible low-income households can obtain a "nutritionally adequate diet."

The Food Stamp Act of 1964 directed the Secretary of Agriculture to determine what constitutes a nutritionally adequate diet. And it directed him to determine what each participating household should, according to its income, contribute from its own resources to put enough food on the table.

It combines, therefore, the advantages of insuring that families can get enough to eat, while retaining a sense of pride on the part of the recipient who must pay part of the cost -- not just take another handout.

Those who propose eliminating the purchase requirement claim that the program would be improved if we eliminate the concept of a nutritionally adequate diet and give away free food stamps.

I cannot agree.

They claim that the program would be simpler to administer. They say no one would be denied stamps because of inability to come up with the purchase cost.

They argue that substantial administrative costs would be saved. And they contend that giving families fewer food stamps would cut down on black marketing and fraud.

I do agree on one point: it would be simpler, from an administrative standpoint, to hand out food stamps instead of collecting money in return, and accounting for the substantial amount collected. But it would be even simpler just to give everyone a Treasury check, processed by the computers that print Social Security checks, Veterans' pensions, welfare payments, and unemployment benefits.

But the rest of the contentions are not valid. Administrative cost savings would be wiped out by the substantial administrative cost increases as millions more came into the program. Once again, the food stamp program would be out of control.

About 35 million households would remain eligible under the terms of the Committee bill, and about half of those would participate -- substantially the same level of participation as under the current program.

But look at another program -- one which would be comparable to a free food stamp program -- Aid to Families with Dependent Children (AFDC).

Over 90 per cent of eligible AFDC families participate. They receive free benefits.

If food stamp benefits were free, it can be assumed that over 90 per cent of eligible households would participate -- and the cost would increase by \$2.1 billion over the cost of the Committee bill, to a total of \$7.8 billion in the next fiscal year.

This estimate is conservative. It assumes that most households near the upper limit of eligibility do not now participate because their benefits are too small to justify the trouble of going through the application process and paying, let's say, \$156 from their earnings for \$166 in food stamps.

Under the Committee bill, the average benefit would be \$26 per person per month. The estimate of \$2.1 billion is based on an assumed average benefit of only \$21 per person per month.

The Committee recognizes that there have been impediments to low-income people who want to participate in the food stamp program. We approach the problem in the following way.

Most difficulties have been faced by elderly and disabled people, and by families with large numbers of children.

The impediments are eased for elderly people by a larger standard deduction. For large families, participation is made easier by reducing the percent of their income paid for food stamps. Also, the Committee has retained the variable purchase provision of the present law, thus allowing households to both purchase less than their full allotment and to purchase stamps at least twice a month. In some jurisdictions, individuals may purchase four times a month.

The Senate must not lose its focus on the real problem -- hunger and malnutrition, especially the hunger of little children.

The National Food Stamp Reform Act of 1976 retains the focus of food assistance in the fight against hunger, as opposed to income maintenance.

We are dealing with two different concepts, two distinct needs.

To blur that distinction would be a disservice to each program, and work its greatest harm on the people, including the children, with whom we must be concerned.

Sincerely,


HERMAN E. TALMADGE
Chairman