Supplemental Nutrition Assistance Program (SNAP): A Primer on Eligibility and Benefits

Updated April 11, 2018
Summary

The Supplemental Nutrition Assistance Program (SNAP), formerly called the Food Stamp Program, is designed primarily to increase the food purchasing power of eligible low-income households to help them buy a nutritionally adequate low-cost diet. This report describes the rules related to eligibility for SNAP benefits as well as the rules for benefits and their redemption.

SNAP is administered by the U.S. Department of Agriculture’s Food and Nutrition Service (USDA-FNS). SNAP is authorized by the Food and Nutrition Act of 2008. This law, formerly the Food Stamp Act of 1977, has since 1973 been reauthorized by the “farm bill,” omnibus legislation that also typically includes the authorization of other federal agricultural policies and programs. The program was most recently reauthorized by the 2014 farm bill (P.L. 113-79, enacted February 7, 2014). Many farm bill provisions expire in 2018, and the 115th Congress may undertake the next reauthorization of SNAP.

SNAP eligibility and benefits are calculated on a household basis. Financial eligibility is determined through a traditional or a categorical eligibility path. Under traditional eligibility, applicant households must meet gross income, net income, and asset tests. Specifically, household gross monthly income (all income as defined by SNAP law) must be at or below 130% of the federal poverty level, and household net (SNAP-specified deductions are subtracted) monthly income must be at 100% of the federal poverty level. The traditional asset rules are set at $2,000 per household (inflation adjusted). (Households that contain an elderly or disabled member have a higher asset limit and also do not have to meet the gross income test.) Under categorical eligibility, SNAP eligibility is automatically conveyed based upon the applicant’s participation in other means-tested programs, namely Supplemental Security Income (SSI), Temporary Assistance for Needy Families (TANF), or General Assistance (GA). Because TANF is a broad-purpose block grant, the state option to extend SNAP eligibility to applicants that receive a TANF-funded benefit allows states to offer program eligibility under rules that vary from those discussed in this paragraph, including an elimination of the asset test. Applicants are also subject to nonfinancial rules, which include work-related requirements such as a time limit for Able-bodied Adults Without Dependents (ABAWDs).

If eligible for SNAP, an applicant household also undergoes a calculation of its monthly benefit amount (or allotment). This calculation utilizes the household’s net income as well as the maximum allotment, a figure that equals the current value of the “Thrifty Food Plan” (TFP). The American Recovery and Reinvestment Act had temporarily increased this value; this increase ended after October 31, 2013.

Benefits are issued on an EBT card, which operates with a declining balance like a debit card. Benefits are not cash, may not be accessed at an automatic teller machine, and are redeemable only for foods. Benefits may be redeemed for foods at licensed retailers, which may include a wide variety of retailers so long as retailers meet licensing requirements.

This report focuses on SNAP eligibility and the form and function of benefits. For an overview of SNAP along with the other USDA-FNS programs, such as the Emergency Food Assistance Program (TEFAP), Commodity Supplemental Food Program (CSFP), and National School Lunch Program (NSLP), see CRS Report R42353, Domestic Food Assistance: Summary of Programs. For issues related to SNAP and the 2014 farm bill, see CRS Report R43332, SNAP and Related Nutrition Provisions of the 2014 Farm Bill (P.L. 113-79). For a brief overview of the farm bill’s nutrition programs, see CRS In Focus IF10663, Farm Bill Primer: SNAP and Other Nutrition Title Programs.
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Supplemental Nutrition Assistance Program (SNAP): A Primer on Eligibility and Benefits

Introduction

The Supplemental Nutrition Assistance Program (SNAP), formerly called the Food Stamp Program, is designed primarily to increase the food purchasing power of eligible low-income households to a point where they can buy a nutritionally adequate low-cost diet. This report describes the rules related to eligibility for SNAP benefits and the rules related to the issuance and use of benefits.

SNAP is authorized by the Food and Nutrition Act of 2008. This law, formerly the Food Stamp Act of 1977, has since 1973 been reauthorized by the “farm bill,” omnibus legislation that also typically includes the reauthorization of other federal agricultural policies and programs. SNAP was most recently authorized by the 2014 farm bill (Agricultural Act of 2014; P.L. 113-79). See CRS Report R43332, SNAP and Related Nutrition Provisions of the 2014 Farm Bill (P.L. 113-79) for further discussion of the nutrition program policy changes.

The Food, Conservation, and Energy Act of 2008 (“2008 farm bill,” P.L. 110-246) changed the name of the program from the Food Stamp Program to SNAP and revised the name of the governing law from the Food Stamp Act to the Food and Nutrition Act. State names for the program may vary; some states continue to name their programs “food stamps,” while others have switched to SNAP or maintain another name.3

The U.S. Department of Agriculture’s Food and Nutrition Service (USDA-FNS) administers SNAP.4 Although a detailed framework of federal law and regulation exists, a robust framework of state options and waivers exists as well. In this way, while universal concepts of benefit eligibility and administration exist among the states, there also are many policies that vary among the states.5 This report will focus on the federal framework but will at times discuss state options that may cause state and local programs to vary.

SNAP benefits are available for households that meet federal financial eligibility tests for limited monthly income and liquid assets. However, these rules can be bypassed through the use of “categorical eligibility” for SNAP. Categorical eligibility provides states with the ability to modify federal financial eligibility rules. As of February 2018, 42 states utilize broad-based categorical eligibility, although several do so with an added limit on liquid assets.6 To be eligible

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1 Historical USDA-FNS SNAP participation and cost data are displayed in the Appendix.

2 Unless otherwise noted, administrative data in this report are from USDA-FNS, available at https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap. FY2016 numbers are as of December 9, 2016.

3 References to “states” in this report include all entities that operate SNAP (i.e., 50 states, the District of Columbia, the Virgin Islands, and Guam).


for SNAP, a household must fulfill requirements related to work effort and must meet citizenship and legal permanent residence tests.

In general, the maximum SNAP benefit is based upon the level of the U.S. Department of Agriculture’s lowest cost food plan (the Thrifty Food Plan or TFP) and varies by household size. Monthly SNAP benefit amounts are calculated as the difference between the household’s expected contribution to its food costs and the maximum benefit. (Participating households are expected to devote 30% of their “net” monthly cash income to food purchases.) Thus, a recipient household with no “net” cash income receives the maximum monthly SNAP allotment for its size while a household with some counted income receives a lesser allotment, the maximum benefit minus 30% of the net income. Net income is the gross income with certain specified deductions subtracted.

Throughout the body of this report, current participation, benefit amount, and spending figures are provided. For a historical table of such information (dating back to 1985), see Table A-1.

### Eligibility

SNAP has financial, work-related, and “categorical” tests for eligibility. Its financial tests require that those eligible have monthly income and liquid assets below limits set by law and adjusted for inflation. Under the work-related tests, certain household members must register for work, accept suitable job offers, and fulfill work or training requirements (such as looking or training for a job) established by their state public assistance agency. Under a time limit established in 1996, SNAP eligibility for Able-bodied Adults Without Dependents (ABAWDs) is limited to 3 months in any 36-month period unless the ABAWD works at least half time or is in a work or training program. Categorical eligibility rules make some automatically eligible for SNAP assistance (most who receive a benefit from the Temporary Assistance for Needy Families [TANF] block grant or receive Supplemental Security Income [SSI] or state [GA] cash benefits). In addition to categorical eligibility rules, there are also categorical denials of eligibility to specific groups (e.g., strikers, many noncitizens and postsecondary students, people living in institutional settings, many drug felons). However, applications cannot be denied because of the length of a household’s residence in a SNAP agency’s jurisdiction, because the household has no fixed mailing address or does not reside in a permanent dwelling, or because the applicant does not provide a driver’s license or photograph identification.

### The SNAP Household

The basic SNAP beneficiary unit is the household. A household can be either a person living alone or a group of individuals living together; there is no requirement for cooking facilities. The SNAP household definition is different than that used in other means-tested programs (e.g., TANF families with dependent children, elderly (60 years or older) or disabled individuals or couples in the SSI Program). However, it is close to those used by some other programs such as the National School Lunch Program; the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); and the Low-Income Home Energy Assistance Program (LIHEAP).

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7 Before April 2009, the maximum SNAP benefit was simply set at the level of the TFP; however, the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) increased the maximum benefit by an additional 13.6% above the 2008 TFP. This higher maximum benefit continued until October 31, 2013; the maximum benefit has been at a comparatively reduced level since. For more information, see CRS Report R43257, Background on the Scheduled Reduction to Supplemental Nutrition Assistance Program (SNAP) Benefits.
Generally speaking, individuals living together constitute a single household if they customarily purchase food and prepare meals together. Members of the same household must apply together, and their income, expenses, and assets normally are aggregated in determining food stamp eligibility and benefits. However, persons who live together can sometimes be considered separate “households” for program purposes.

Persons who live together, but purchase food and prepare meals separately, may apply for SNAP benefits separately, except for (1) spouses; (2) parents and their children (21 years or younger); and (3) minors 18 years or younger who live under the parental control of a caretaker (excluding foster children and, in some cases, certain citizen children, who may be treated separately). In addition, persons 60 years or older who live with others and cannot purchase food and prepare meals separately because of a substantial disability may apply separately from their co-residents as long as their co-residents’ income is below prescribed limits (165% of the federal poverty guidelines).  

Although those living in institutional settings generally are barred from SNAP, individuals in certain types of group living arrangements may be eligible and are automatically treated as separate households, regardless of how food is purchased and meals are prepared. These arrangements must be approved by state or local agencies and include residential drug addiction or alcoholic treatment programs, small group homes for the disabled, shelters for battered women and children, and shelters for the homeless.

If a household includes an elderly or disabled member, the household is entitled to different SNAP deduction rules as well as some different financial eligibility rules (discussed in the next section). Financially eligible one- and two-person households (in the 48 contiguous states and DC) are also assured (for FY2018) a minimum monthly benefit of $15. Without the minimum benefit it may be possible that these smaller households would be eligible for SNAP but for an arguably negligible amount. It is possible that different SNAP households can live together, and recipients can reside with nonrecipients. In the case of recipients residing with nonrecipients, the eligibility and benefit level of the household is based on a household size that excludes the nonrecipient. Whether the nonrecipient’s income or assets are included depends upon the specific circumstances.

Financial Eligibility

There are two pathways to eligibility for SNAP. The first is the “traditional pathway” to eligibility with financial eligibility thresholds stated in the Food and Nutrition Act (7 U.S.C. 2011 et seq.). Federal law sets income and asset eligibility thresholds as well as the rules for what types of income and assets are counted or disregarded. Also, the act lists what types of expenses can be deducted in determining income eligibility and, if eligible, determining the benefit amount.

The second pathway is known as “categorical eligibility.” The basis of categorical eligibility is a rule that makes households composed entirely of recipients of benefits funded from the Temporary Assistance for Needy Families (TANF) block grant, Supplemental Security Income cash assistance, or state General Assistance (GA) automatically eligible for SNAP. Recipients of benefits from these programs bypass financial eligibility rules and automatically go to the next step, determining SNAP benefits. However, states have the option of interpreting categorical

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8 Monthly income limits at 165% of poverty are not listed in this report but are available on the USDA-FNS website at https://fns-prod.azureedge.net/sites/default/files/snap/FY18-Income-Eligibility-Standards.pdf, p. 2.

eligibility broadly. Below is a discussion of the traditional pathway to SNAP eligibility, followed by a discussion of categorical eligibility.

The Traditional Path to Eligibility

For households without an elderly or disabled member, SNAP uses both the household’s basic (or “gross”) monthly income and its counted (or “net”) monthly income. Eligible households’ gross income must be at or below gross income standards and their counted income must meet net income eligibility thresholds. When judging eligibility for households with elderly or disabled members, only the household’s counted net monthly income is considered; in effect, this procedure applies a somewhat more liberal income test to the elderly and disabled.

Income and SNAP Deductions

Gross monthly income includes all of a household’s cash income except the following “exclusions” (disregards):10 (1) most payments made to third parties (rather than directly to the household); (2) unanticipated, irregular, or infrequent income, up to $30 a quarter; (3) loans (student loans are treated as student aid, see (10)); (4) income received for the care of someone outside the household; (5) nonrecurring lump sum payments such as income tax refunds, retroactive lump sum Social Security payments, and certain charitable donations (in many cases, these may instead be counted as liquid assets); (6) federal energy assistance (e.g., LIHEAP); (7) reimbursement for expenses;11 (8) income earned by schoolchildren 17 or younger; (9) the cost of producing self-employment income; (10) federal postsecondary student aid (e.g., Pell grants, student loans); (11) “on the job” training earnings of dependent children under 19 in the Workforce Investment and Opportunity Act (WIOA) programs, as well as monthly “allowances” under these programs; (12) income set aside by disabled SSI recipients under an approved “plan for achieving self support”; (13) combat-related military pay; and (14) payments required to be disregarded by provisions of federal law outside the Food and Nutrition Act (e.g., various payments under laws relating to Indians, payments under Older Americans Act employment programs for the elderly). In addition, states may, within certain limits, choose to exclude other types of income that they disregard in their TANF or Medicaid programs.

Net monthly income is computed by subtracting certain “deductions” from a household’s basic (or gross) monthly income. This calculation is based on the recognition that not all of a household’s income is available for food purchases. Thus, a standard portion of income, plus amounts representing costs such as work expenses or high nonfood living expenses, is deducted from the gross income.

For households **without an elderly or disabled member**, net monthly income equals gross monthly income minus the following deductions, if applicable:

- **Standard deduction**: A “standard” monthly deduction that varies by household size and is indexed for inflation (see below for details). Every applicant household gets this deduction;
- **Earned income deduction**: 20% of any earned income, in recognition of taxes and work expenses;

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10 These income exclusions are found in Section 5(d) of the Food and Nutrition Act, codified at 7 U.S.C. 2014(d).
11 So long as those reimbursements do not constitute a “gain or benefit” to the household.
- **Child support deduction**: Any amounts paid out as legally obligated child support;
- **Dependent care deduction**: Out-of-pocket dependent care expenses, when related to work or training;\(^{12}\) and
- **Excess shelter deduction**: Shelter expenses (including utility costs, which states may standardize with a “standard utility allowance” calculation) that exceed 50% of net income after all other deductions, typically expenses that exceed about one-third of gross monthly income (see below for limits).

The amount of the *standard deduction* depends upon household size and statutorily set parameters (amounts shown in Table 1 for FY2018). Per statute, the standard deduction is either 8.31% of the annually indexed federal poverty income guidelines for each household size (these are based on the poverty guidelines which are indexed for inflation) or specific minimum numbers in statute that are also indexed for inflation.\(^ {13}\) In the 48 contiguous states and the District of Columbia, the FY2018 minimum standard deduction is $160 a month. Recognizing different living costs, different standard deductions apply in Alaska, Hawaii, Guam, and the Virgin Islands.

**Table 1. SNAP Standard Deductions for FY2018 (per month)**

<table>
<thead>
<tr>
<th>Geographic Area</th>
<th>1-2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6+</th>
</tr>
</thead>
<tbody>
<tr>
<td>48 states and District of Columbia</td>
<td>$160</td>
<td>$160</td>
<td>$170</td>
<td>$199</td>
<td>$228</td>
</tr>
<tr>
<td>Alaska</td>
<td>$273</td>
<td>$273</td>
<td>$273</td>
<td>$273</td>
<td>$285</td>
</tr>
<tr>
<td>Hawaii</td>
<td>$225</td>
<td>$225</td>
<td>$225</td>
<td>$229</td>
<td>$263</td>
</tr>
<tr>
<td>Guam</td>
<td>$321</td>
<td>$321</td>
<td>$341</td>
<td>$399</td>
<td>$457</td>
</tr>
<tr>
<td>Virgin Islands</td>
<td>$141</td>
<td>$141</td>
<td>$170</td>
<td>$199</td>
<td>$228</td>
</tr>
</tbody>
</table>


The *excess shelter deduction* is restricted to annually indexed monthly limits. For FY2018, these are $535 for the 48 states and the District of Columbia, $854 for Alaska, $720 for Hawaii, $627 for Guam, and $421 for the Virgin Islands. (This deduction is a way to further account for the variability of shelter costs across the country.)

For *households with an elderly or disabled member*, counted monthly income equals gross monthly income minus

- the same *standard, child support, earned income*, and *dependent care* deductions noted above;
- an uncapped excess shelter deduction, to the extent such expenses exceed 50% of counted income after all other deductions, with no limit; and
- any out-of-pocket medical expenses (other than those for special diets) that are incurred by an elderly or disabled household member, to the extent they exceed a threshold of $35 a month.

\(^{12}\) Limits on SNAP deductions for dependent care were lifted under the 2008 farm bill (P.L. 110-246).

\(^{13}\) Inflation adjustment of the minimum was added by the 2008 farm bill (P.L. 110-246).
Under the traditional path to SNAP eligibility, households must have net monthly income that does not exceed the inflation-adjusted federal poverty guidelines (100% FPL). Households without an elderly or disabled member also must have gross/basic monthly income that does not exceed 130% of the inflation-adjusted federal poverty guidelines (130% FPL). Both these income eligibility limits are uniform for the 48 contiguous states, the District of Columbia, Guam, and the Virgin Islands; somewhat higher income eligibility limits (because of higher poverty guidelines) are applied in Alaska and Hawaii. Net and gross income eligibility limits (which are adjusted for inflation each October) are summarized in Table 2.

The calculation of net income discussed in this section is pertinent not just for determining eligibility but also for calculating the SNAP benefit amount to which the household is entitled (discussed below in “Benefit Amounts (Allotments)”).

### Table 2. Counted (Net) and Basic (Gross) Monthly Income Eligibility Limits for SNAP, FY2018

Eligibility Limits in Effect October 1, 2017 to September 30, 2018

<table>
<thead>
<tr>
<th>Household size</th>
<th>48 States, DC, and the Territories</th>
<th>Alaska</th>
<th>Hawaii</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Counted (net) monthly income eligibility limits (100% of poverty):</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 person</td>
<td>$1,005</td>
<td>$1,255</td>
<td>$1,155</td>
</tr>
<tr>
<td>2 persons</td>
<td>1,354</td>
<td>1,691</td>
<td>1,556</td>
</tr>
<tr>
<td>3 persons</td>
<td>1,702</td>
<td>2,127</td>
<td>1,957</td>
</tr>
<tr>
<td>4 persons</td>
<td>2,050</td>
<td>2,563</td>
<td>2,358</td>
</tr>
<tr>
<td>5 persons</td>
<td>2,399</td>
<td>2,999</td>
<td>2,759</td>
</tr>
<tr>
<td>6 persons</td>
<td>2,747</td>
<td>3,435</td>
<td>3,160</td>
</tr>
<tr>
<td>7 persons</td>
<td>3,095</td>
<td>3,870</td>
<td>3,560</td>
</tr>
<tr>
<td>8 persons</td>
<td>3,444</td>
<td>4,306</td>
<td>3,961</td>
</tr>
<tr>
<td>Each additional person</td>
<td>349</td>
<td>436</td>
<td>401</td>
</tr>
<tr>
<td><strong>Basic (gross) monthly income eligibility limits (130% of poverty):</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 person</td>
<td>$1,307</td>
<td>$1,632</td>
<td>$1,502</td>
</tr>
<tr>
<td>2 persons</td>
<td>1,760</td>
<td>2,199</td>
<td>2,023</td>
</tr>
<tr>
<td>3 persons</td>
<td>2,213</td>
<td>2,765</td>
<td>2,544</td>
</tr>
<tr>
<td>4 persons</td>
<td>2,665</td>
<td>3,332</td>
<td>3,065</td>
</tr>
<tr>
<td>5 persons</td>
<td>3,118</td>
<td>3,898</td>
<td>3,586</td>
</tr>
<tr>
<td>6 persons</td>
<td>3,571</td>
<td>4,465</td>
<td>4,107</td>
</tr>
<tr>
<td>7 persons</td>
<td>4,024</td>
<td>5,031</td>
<td>4,628</td>
</tr>
<tr>
<td>8 persons</td>
<td>4,477</td>
<td>5,598</td>
<td>5,150</td>
</tr>
<tr>
<td>Each additional person</td>
<td>453</td>
<td>567</td>
<td>522</td>
</tr>
</tbody>
</table>

**Assets**

Under the traditional pathway to eligibility, households cannot have counted liquid assets that exceed federally prescribed limits. In FY2018, households without an elderly or disabled member cannot have counted liquid assets above $2,250. In that year, households with an elderly or disabled member cannot have counted liquid assets above $3,500. These dollar limits are to be annually indexed for overall inflation (and rounded down to the nearest $250).\(^\text{14}\)

Counted liquid assets include cash on hand, checking and savings accounts, savings certificates, stocks and bonds, and nonrecurring lump sum payments such as insurance settlements and lump-sum payments that have been disregarded as income (e.g., some tax refunds) but have not been spent. Certain assets also are counted: a portion of the value of vehicles (in some cases) and the equity value of property not producing income consistent with its value (e.g., recreational property).

Counted assets do not include the value of the household’s primary residence (home and surrounding property); business assets; personal property (household goods and personal effects); lump sum earned income tax credit and other nonrecurring payments; burial plots; the cash value of life insurance policies; the value of all tax-recognized pension savings/plans and education savings; and certain other resources whose value is not accessible to the household, would not yield more than $1,000 if sold (e.g., a car with a small equity value), or are required to be disregarded by other federal laws.

Some special rules apply when counting allowable assets. Although the general rule is that the fair market value of a vehicle in excess of $4,650 is to be counted as an asset, states may (and most often do) count vehicles as assets only to the extent they do under their TANF programs or disregard them entirely. Moreover, states generally may exclude additional assets to the extent they do so under their TANF or Medicaid programs.

**Categorical Eligibility**

SNAP also conveys eligibility to households that already participate in specific means-tested programs. This concept of “categorical eligibility” is discussed at greater length, including state-by-state information, in CRS Report R42054, *The Supplemental Nutrition Assistance Program (SNAP): Categorical Eligibility*.

Households composed entirely of recipients of benefits funded from the Temporary Assistance for Needy Families (TANF) block grant, Supplemental Security Income cash assistance, or state General Assistance (GA) are automatically, or categorically, based on the participation in these other programs, eligible for SNAP. States have the option to use categorical eligibility widely among applicants, permitting them to bypass the income eligibility and, most importantly, the asset eligibility rules of the traditional pathway to SNAP eligibility discussed above.

The breadth of this categorical option results particularly from the option to grant SNAP eligibility to those who receive a *TANF-funded* benefit. As TANF is a flexible block grant with a wide range of allowable expenditures, this means that any TANF benefit or services, not just traditional cash welfare, can result in categorical eligibility for SNAP. As of February 2018, 42 states convey broad-based categorical eligibility by extending a nominal TANF-funded benefit,

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\(^{14}\) This indexing was added by the Food, Conservation, and Energy Act of 2008 (“2008 farm bill”; P.L. 110-246).
such as a brochure or application; 5 of these states impose an asset limit in addition to allowing this eligibility.\footnote{USDA-FNS website, https://www.fns.usda.gov/snap/bbcexlsx. See Table 1 of CRS Report R42054, \textit{The Supplemental Nutrition Assistance Program (SNAP): Categorical Eligibility}. As of February 2018, broad-based categorical eligibility states with assets limits are Idaho, Maine, Michigan, Nebraska, and Texas; and the 11 states that do not use broad-based categorical eligibility are: Alaska, Arkansas, Indiana, Kansas, Louisiana, Missouri, South Dakota, Tennessee, Utah, Virginia, and Wyoming. The 42 state total includes the District of Columbia, Guam, and the U.S. Virgin Islands.}

Under SNAP regulations, states do have to assign a gross income limit of 200\% of the federal poverty line or less in order to use a TANF-funded benefit to make applicants eligible. However, categorical eligibility does not automatically mean that a household is entitled to a SNAP benefit. Households must still have net income below a level that results in a nonzero SNAP benefit.

**Work-Related Eligibility Requirements**

Current SNAP law has rules on employment or work-related activities for able-bodied, nonelderly adult participants. Some rules apply in all states that operate SNAP. However, because each state designs its own SNAP Employment and Training Program (E&T), certain requirements can vary by state.

In addition to the nationwide and state-specific work eligibility rules, SNAP law creates a time limit for able-bodied adults without dependents ("ABAWDs") who are not working a minimum of 20 hours per week. If these individuals do not work the required number of hours, they can receive no more than 3 months of benefits over a 36-month period. A state does have limited flexibilities with regard to enforcing this time limit, and so an ABAWD’s eligibility is further affected by whether (1) the individual lives in an area that has waived the time limit due to local labor market conditions or (2) the state agency chooses to use its available exemptions to serve the individual beyond the time limit.

These rules are discussed in further detail in the sections to follow.

In All States: Overview of Work-Related Requirements in SNAP

To gain or retain eligibility, most able-bodied adults (with or without dependents) must

- register for work (typically with the SNAP state agency or a state employment service office);
- accept a suitable job if offered one;
- fulfill any work, job search, or training requirements established by administering state SNAP agencies;
- provide the administering public assistance agency with sufficient information to allow a determination with respect to their job availability; and
- not voluntarily quit a job without good cause or reduce work effort below 30 hours a week.

Individuals are disqualified from SNAP for failure to comply with work requirements for periods of time that differ based upon whether the violation is the first, second, or third. Minimum periods of disqualification, which may be increased by the state SNAP agency, range from one to six months. In addition, states have the option to disqualify the entire household for up to 180 days, if the household head fails to comply with work requirements.

The law exempts certain individuals from the above requirements. In FY2016, 44.1% of participants were children; 11.8% were elderly; and 9.1% were nonelderly disabled adults. This 65% of SNAP participants would not have been expected to meet these work requirements.

In FY2016, states reported that 13.4 million participants were subject to SNAP work requirements and registered for work.

Varies By State: SNAP Employment and Training (E&T) Required Participation, Services Available

As noted above, those not exempted must register for work and accept suitable job offers; in addition, state SNAP agencies may require work registrants to fulfill some type of work, job search, or training obligation.

SNAP agencies must operate an Employment and Training (E&T) program of their own design for work registrants. SNAP agencies may require all work registrants to participate in one or more components of their program, or limit participation by further exempting additional categories.

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17 Exempt from the all-states work requirements are: SNAP participants who are physically or mentally unfit for work; under age 16 or over age 59; between ages 16 and 18 if they are not a head of household or are attending school or a training program; persons working at least 30 hours a week or earning the minimum wage equivalent; persons caring for dependents who are disabled or under age 6; individuals already subject to and complying with another assistance program’s work, training, or job search requirements (for example, Temporary Assistance for Needy Families (TANF) or unemployment compensation); eligible postsecondary students; and residents of substance abuse treatment programs.


and individuals for whom participation is judged impracticable or not cost effective.\textsuperscript{20} States may also make E&T activities open only to those who volunteer to participate.

Program components can include any or all of the following: supervised job search or training for job search; workfare (work-for-benefits); work experience or training programs; education programs to improve basic skills; or any other employment or training activity approved by USDA-FNS.\textsuperscript{21}

In FY2016, states served approximately 692,000 participants in E&T services.\textsuperscript{22}

\textbf{“ABAWD” Time Limit}

In addition to SNAP’s work registration and E&T program requirements, there is a special time limit for \textit{able-bodied adults, aged 18 to 49 who are without dependents} (ABAWDs). This requirement—often referred to as the “ABAWD Rule”—was added by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA, P.L. 104-193).

SNAP law limits benefits to ABAWDs to 3 months out of a 36-month period, unless the participant

- works at least 20 hours per week;
- participates in an employment and training program for at least 20 hours per week; or
- participates in a state’s “workfare” program.\textsuperscript{23}

States have the option, but are not required, to offer ABAWDs a slot in an employment and training program or a workfare program. Some states “pledge” to serve all ABAWDs in such programs; others do not. States that “pledge” to serve all ABAWDs in these programs receive extra federal funding for that purpose. If a state does not offer an ABAWD a slot in an employment and training or workfare program, benefits can be terminated for those without at least a half-time job once the three-month limit is reached, unless the individual is covered by an exemption or a “waiver” of the ABAWD requirement.

Those who lose benefits under this rule are able to reenter the program if, during a 30-day period, they work or participate in a work/training activity for at least 20 hours per week.\textsuperscript{24}

PRWORA’s 1996 addition of the ABAWD time limit also included the availability of waivers for a state (or smaller geographic area within a state) based on the area’s job availability data. The

\textsuperscript{20} Recipients who participate in an E&T activity beyond work registration cannot be required to work more than the minimum wage equivalent of their household’s benefit. Total hours of required participation (including both work and any other required activity) cannot exceed 120 hours a month. SNAP agencies also must reimburse participants’ costs directly related to participation (e.g., transportation and child care). The federal government shares in half the cost of this support, and state agencies may limit support to local market rates for necessary dependent care.


\textsuperscript{23} Hours of workfare required will vary by state, but participants’ monthly allotment divided by hours worked must be greater than or equal to minimum wage. 7 U.S.C. 2029(a)(1).

\textsuperscript{24} ABAWDs who become employed but then lose their jobs again can, under some circumstances, earn an additional three months of eligibility, bringing their maximum months of SNAP receipt without working to at least 20 hours per week or being in an approved work or training program to 6 months in a 36-month period. USDA-FNS provides guidance on this and other aspects of the time limit in its 2015 “Guide to Serving ABAWDs Subject to Time-limited Participation,” https://www.fns.usda.gov/sites/default/files/Guide_to_Serving_ABAWDs_Subject_to_Time_Limit.pdf.
statute provides that the ABAWD rule can be waived (1) for areas with an unemployment rate of over 10% or (2) if an area “does not have a sufficient number of jobs to provide employment for the individuals.” The USDA-FNS regulation (7 C.F.R. 273.24(f)) specifies the criteria that can qualify a state or portion of a state for a waiver of the ABAWD rule. Also, in a state or part of a state that does not have a waiver, states are also able to exempt a portion of ABAWDs (up to 15%) from the time limit. The number of exemptions allowed is based upon a formula set in law.

The American Recovery and Reinvestment Act (ARRA) suspended the ABAWD rule from April 2009 through September 2010. During FY2011-FY2014, over 40 states had (or were eligible for) a statewide waiver from the ABAWD time limit, due to the extended unemployment insurance grounds for evidence of “lack of sufficient jobs.”

Since then, the availability of jobs has increased in many areas and some eligible states have declined to request waivers, increasing the reach of the time limit. This trend in the ABAWD time limit waivers is often cited as one of the reasons why SNAP participation has been declining. USDA-FNS recent reports on states’ waiver statuses show more states administering the time limit:

- In the fourth quarter of FY2015, 31 states had a statewide ABAWD waiver, 13 states implemented partial state or partial year waivers, and 9 states had no ABAWD waivers.

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25 Authority for these waivers is located in Section 6(o)(4) of the Food and Nutrition Act of 2008, codified at 7 U.S.C. 2015(o)(4).

26 For a waiver based on 10% unemployment, states may request a waiver with evidence that an area has “a recent 12 month average unemployment rate over 10 percent; recent three month average unemployment rate over 10 percent; or an historical seasonal unemployment rate over 10 percent.” (7 C.F.R. 273.24(f)(2)(i)) For a waiver based on a “lack of sufficient jobs,” 7 C.F.R. 273.24(f)(2)(ii) permits a state to submit any of the following as evidence: (1) if an area “is designated as a Labor Surplus Area (LSA) by the Department of Labor’s Employment and Training Administration (ETA),” (2) “is determined by the Department of Labor’s Unemployment Insurance Services as qualifying for extended unemployment benefits,” (3) “has a low and declining employment-to-population ratio,” (4) “has a lack of jobs in declining occupations or industries,” (4) “is described in an academic study or other publications as an area where there are lack of jobs,” or (5) “has a 24-month average unemployment rate 20 percent above the national average for the same 24-month period.”

27 The Balanced Budget Act of 1997 (P.L. 105-33) added these 15% ABAWD exemptions for states (Section 6(o)(6) of the Food and Nutrition Act, codified at 7 U.S.C. 2015(o)(4)). This provision is implemented through regulation 7 C.F.R. 273.24(g), and further details on the exemptions can be found on the USDA-FNS website: http://www.fns.usda.gov/snap/rules/Memo/PRWORA/abawds/ABAWDsPage.htm.


29 See, for example, questions and answers on USDA-FNS website, Able-Bodied Adults Without Dependents (ABAWDs), https://www.fns.usda.gov/snap/able-bodied-adults-without-dependents-abawds.


• In the fourth quarter of FY2016, 11 states had a statewide waiver, 26 states had a waiver for parts of the states, and 16 states had no ABAWD waivers.\(^{32}\)
• In the fourth quarter of FY2017, 9 states had a statewide waiver, 27 states had a waiver for parts of the states, and 17 states had no ABAWD waivers.\(^{33}\)
• In the second quarter of FY2018, 8 states had a statewide waiver, 28 states had a waiver for parts of the states, and 17 states had no ABAWD waivers.\(^{34}\)

Individuals Ineligible for SNAP

Eligibility is sometimes denied for reasons other than financial need or compliance with work-related requirements.

Many non-citizens are barred—eligibility is extended only to permanent residents legally present in the United States for at least five years, legal immigrant children (under 18), the elderly and disabled who were legally resident before August 1996, refugees and asylees, veterans and others with a military connection, those with a substantial history of work covered under the Social Security system, and certain other limited groups of aliens.\(^{35}\)

SNAP benefits are denied those who intentionally violate program rules, for specific time periods ranging from one year (on a first violation) to permanently (on a third violation or other serious infraction); and states may impose SNAP disqualification when an individual is disqualified from another public assistance program. Those who transfer assets for the purpose of qualifying for benefits are also barred.

For the most part, college students (attending higher education courses half-time or more) between ages 18 and 50 are ineligible for SNAP. A student enrolled in an institution of higher education more than half-time is only eligible for SNAP benefits if the individual is (1) under 18 years old or age 50 or older; (2) disabled; (3) enrolled in school because of participation in certain programs;\(^{36}\) (4) employed at least 20 hours per week or participates in a work-study program during the school year; (5) a parent (in some circumstances);\(^{37}\) OR (6) receiving TANF cash assistance benefits.

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\(^{36}\) A program under title I of the Workforce Investment and Opportunity Act, a SNAP Employment and Training program, a program under Section 236 of the Trade Act of 1974, a work incentive program under title IV of the Social Security Act, or “another program for the purpose of employment and training operated by a state or local government, as determined to be appropriate by the Secretary.” The 2014 farm bill added an additional specification for college students engaged in SNAP E&T.

\(^{37}\) An otherwise ineligible student is eligible for SNAP if the student is (1) a single parent enrolled in school full-time caring for a dependent under the age of 12 years old, (2) a parent caring for a dependent under age 6, or (3) a parent caring for a child between the ages of 5 and 12 years old for whom child care is not available to enable the parent to
Other *ineligibility* rules include the following:

- Households with members on strike are denied benefits unless eligible prior to the strike.
- Individuals living in institutional settings are denied eligibility, except those in special SSI-approved small group homes for the disabled, persons living in drug addiction or alcohol treatment programs, and persons in shelters for battered women and children or shelters for the homeless.
- Boarders cannot receive SNAP benefits unless they apply together with the household in which they are boarding.
- Persons who fail to provide Social Security numbers or cooperate in providing information needed to verify eligibility or benefit determinations are ineligible.
- Automatic disqualification is required for those applying in multiple jurisdictions, fleeing arrest, or convicted of a drug-related felony. The 2014 farm bill requires additional felons to comply with the terms of their sentence in order to receive SNAP benefits—the implementation of this policy will depend on federal rulemaking.
- States may disqualify individuals not cooperating with child support enforcement authorities or in arrears on their child support obligations.

### SNAP Benefits under Special Eligibility Rules

There are circumstances where SNAP benefits are offered separately and distinctly from the standard SNAP application and eligibility process. These situations include the issuance of “transitional” and “disaster” benefits.

#### Transitional Benefits

States are allowed to provide “transitional” benefits. States have the option to offer up to five months’ transitional SNAP benefits to those leaving TANF or a similar state-financed program (for reasons other than a sanction)—without requiring that the household apply for SNAP. The transitional benefit is the amount received prior to leaving TANF (or a similar state program), adjusted to account for the loss of TANF/state cash income. Transitional benefit households may reapply during the five-month period to have their benefits adjusted based on changed circumstances, and states may opt to adjust benefits based on information received from another program (like Medicaid) in which the household participates. At the end of the transitional period, households may reapply for continued benefits under regular SNAP rules. According to the most recent (August 2017) SNAP State Options Report, 22 states provide transitional benefits.

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38 This matter is further discussed along with other programs’ related rules, in CRS Report R42394, *Drug Testing and Crime-Related Restrictions in TANF, SNAP, and Housing Assistance*, by Maggie McCarty et al.


Disaster Benefits (‘D-SNAP’)

For areas affected by a natural or other disaster, states may request that USDA operate the Disaster Supplemental Nutrition Assistance Program (D-SNAP).

SNAP benefits are provided to already participating SNAP households who qualify for replacement or additional benefits as well as to non-SNAP households who become temporarily eligible under D-SNAP rules. If the disaster results in households’ ongoing loss of income, households may be eligible to apply for SNAP under regular program rules after the D-SNAP benefit period has ended.

Benefits

SNAP benefits are 100% federally financed and constitute the vast majority of federal spending for the SNAP program. This section discusses how SNAP benefit amounts are determined, how the benefits are issued, what benefits may and may not be used for, and the redemption of benefits.

Benefit Amounts (Allotments)

The eligibility rules of SNAP, discussed above, create a framework by which individuals (constituting a household) are eligible or ineligible for benefits, but once eligible, the participant is also subject to a benefit calculation process, which determines the household’s monthly benefit amount or allotment. The calculation of SNAP benefits takes into account the size of the household, the maximum benefit for the fiscal year, and the household’s net income. For one- and two-person households, the minimum benefit may also play a role.

Farm Bill Changed Treatment of LIHEAP in the Calculation of SNAP Benefits

The 2014 Farm Bill (P.L. 113-79) amended the SNAP law’s treatment of Low Income Home Energy Assistance Program (LIHEAP) payments during the calculation of SNAP benefits. Specifically, the new law requires a minimum payment of LIHEAP before such assistance can impact the calculation of a household’s excess shelter deduction. Description of benefit calculation in this report remains accurate. For an explanation of the specific LIHEAP issue, see CRS Report R42591, The 2014 Farm Bill: Changing the Treatment of LIHEAP Receipt in the Calculation of SNAP Benefits.

Maximum Monthly Allotments

Maximum monthly benefit allotments are tied to the cost of purchasing a nutritionally adequate low-cost diet, as measured by the USDA-created and -calculated Thrifty Food Plan (TFP). The TFP is the cheapest of four diet plans meeting minimal nutrition requirements devised by USDA, specifically USDA’s Center for Nutrition Policy and Promotion (CNPP). Maximum allotments...

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41 See the USDA-FNS website for further details on D-SNAP and the provision of other food assistance during emergencies in recent years: http://www.fns.usda.gov/disasters/disaster.htm.

42 Historical spending and participation data displayed in Table A-1. Additional data, including state-level, on USDA-FNS website.

43 As mentioned earlier, the American Recovery and Reinvestment Act (ARRA) changed the calculation of the maximum benefit for the period April 1, 2009, through October 31, 2013. Beginning November 1, 2013, benefit calculation reverted to pre-ARRA calculation. See CRS Report R43257, Background on the Scheduled Reduction to Supplemental Nutrition Assistance Program (SNAP) Benefits, by Randy Alison Aussenberg and Gene Falk.
are set at the monthly cost of the TFP for a four-person family consisting of a couple between ages 20 and 50 and two school-age children, adjusted for family size (using a formula reflecting economies of scale developed by the Human Nutrition Information Service), and rounded down to the nearest whole dollar. Allotments are adjusted for food price inflation annually, each October, to reflect the cost of the TFP in the immediately previous June. Although USDA calculates the cost of the TFP each year to account for food price inflation, the contents of the
TFP—often thought of as its own market basket of goods—were last revised in 2006. Maximum allotments are standard across the 48 contiguous states and the District of Columbia, but they are higher, reflecting substantially different food costs, in Alaska, Hawaii, Guam, and the Virgin Islands.

Table 3. Maximum Possible Monthly SNAP Allotments, FY2018
Effective October 1, 2017, through September 30, 2018

<table>
<thead>
<tr>
<th>Household size</th>
<th>48 States and DC</th>
<th>Alaska</th>
<th>Hawaii</th>
<th>Guam</th>
<th>Virgin Islands</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 person</td>
<td>$192</td>
<td>$230</td>
<td>$358</td>
<td>$283</td>
<td>$247</td>
</tr>
<tr>
<td>2 people</td>
<td>352</td>
<td>422</td>
<td>657</td>
<td>519</td>
<td>453</td>
</tr>
<tr>
<td>3 people</td>
<td>504</td>
<td>604</td>
<td>941</td>
<td>743</td>
<td>648</td>
</tr>
<tr>
<td>4 people</td>
<td>640</td>
<td>767</td>
<td>1,195</td>
<td>944</td>
<td>823</td>
</tr>
<tr>
<td>5 people</td>
<td>760</td>
<td>911</td>
<td>1,419</td>
<td>1,121</td>
<td>978</td>
</tr>
<tr>
<td>6 people</td>
<td>913</td>
<td>1,094</td>
<td>1,703</td>
<td>1,345</td>
<td>1,173</td>
</tr>
<tr>
<td>7 people</td>
<td>1,009</td>
<td>1,209</td>
<td>1,883</td>
<td>1,487</td>
<td>1,297</td>
</tr>
<tr>
<td>8 people</td>
<td>1,153</td>
<td>1,382</td>
<td>2,152</td>
<td>1,699</td>
<td>1,482</td>
</tr>
<tr>
<td>Each additional person</td>
<td>144</td>
<td>173</td>
<td>269</td>
<td>212</td>
<td>185</td>
</tr>
</tbody>
</table>

Source: USDA, Food and Nutrition Service.

What share of SNAP households received the maximum allotment?
In FY2016, maximum allotments were last revised in 2006. In FY2017, approximately 38.5% of households received the maximum possible benefit. This means approximately 38.5% of households had a SNAP “net income” of $0.

Average Allotments
In FY2017, monthly benefits averaged approximately $126 per person, $254 per household.

Calculation of a Household’s Monthly Benefit

SNAP benefits are a function of a household’s size, its net (counted) monthly income, and inflation-indexed maximum monthly benefit levels (in some cases, adjusted for geographic location). An eligible household’s net income is determined (i.e., the deductions noted earlier for judging eligibility are subtracted from gross income), its maximum benefit level is established,

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45 Historical spending and participation data displayed in Table A-1. Additional data, including state-level, on USDA-FNS website.
and a benefit is calculated by subtracting its expected contribution (by law, 30% of its net income) from its maximum allotment. This equation is illustrated in the first row of Figure 1. Thus, (as illustrated in the second row of Figure 1) a three-person household in one of the 48 states with $400 in counted net income (after deductions) would receive a monthly allotment of $384 in FY2018.\(^{47}\) A three-person household with no counted income would receive the maximum monthly benefit.

**Figure 1. Calculating the Monthly Benefit for a Hypothetical Household in FY2018**

This illustrates a three-person household in the 48 states (and DC) with net income of $400

<table>
<thead>
<tr>
<th>Maximum Monthly Benefit</th>
<th>30% of Net Monthly Income</th>
<th>SNAP Monthly Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$504</td>
<td>(0.30 X $400) = $120</td>
<td>$384</td>
</tr>
</tbody>
</table>

**Source:** Figure by CRS, based on benefit calculation rules. Design by Amber Wilhelm, CRS Graphics Specialist.

Benefits are not taxable and purchases made with SNAP benefits may not be charged sales taxes. Receipt of SNAP benefits does not affect eligibility for, or benefits provided by, other public assistance programs, although some programs use SNAP participation as a “trigger” for eligibility, and others take into account the general availability of SNAP benefits in deciding what level of benefits to provide.

**Minimum Benefit**

Eligible one- or two-person households are guaranteed a minimum monthly benefit allotment equal to 8% of the maximum benefit for a one-person household; effective October 2008. This replaces an older rule stipulating a minimum benefit of $10 a month only for one- and two-person households.\(^{48}\) For FY2018, the minimum benefit is $15 a month for a household in the 48 states and DC. This means that if the benefit calculation for a one- or two-person household yields a result of less than $15, that household is guaranteed to receive $15 a month. In FY2016, over 8% of SNAP households received the minimum benefit.\(^{49}\)

**Issuance of Benefits**

Benefit issuance is a state agency responsibility, and states contract with private vendors to carry out most of their issuance activities. Benefits are provided through electronic benefit transfer (EBT) systems under which recipients are issued a debit-like card that they use to make food

\(^{46}\) Historical spending and participation data displayed in Table A-1. Additional data, including state-level, on USDA-FNS website.

\(^{47}\) The FY2018 maximum three-person benefit in the 48 states (plus DC) is $504; then subtract 30% of the household’s net income, which equals $120.

\(^{48}\) Calculating the minimum benefit based on a percentage of the maximum was added by the Food, Conservation, and Energy Act of 2008 ("2008 farm bill"; P.L. 110-246).

purchases. At the point of sale, retailers automatically debit the recipient’s SNAP account and credit their own account. EBT cards can include both SNAP benefits (usable only to buy food items) and cash benefits (e.g., TANF payments, unemployment payments, child support payments); only cash benefits can be accessed using the card at ATMs.50

SNAP benefits normally are issued monthly. The state SNAP agency must either deny eligibility or make benefits available within 30 days of initial application and must provide allotments without interruption if an eligible household reappplies and fulfills recertification requirements in a timely manner. Households in immediate need because of little or no income and very limited cash assets, as well as the homeless and those with extraordinarily high shelter expenses, must be given expedited service (provision of benefits within seven days of initial application). A household’s calculated monthly allotment can be prorated (reduced) for one month. On application, a household’s first month’s benefit is reduced to reflect the date of application. If a previously participating household does not meet eligibility recertification requirements in a timely fashion, but does become certified for eligibility subsequently, benefits for the first month of its new certification period normally are prorated to reflect the date when recertification requirements were met.

Redemption of Benefits, Trafficking

SNAP benefits are not the same as cash. Although SNAP benefits have a dollar value, they may only be spent on eligible food at authorized stores equipped with EBT machines.51

“Trafficking” usually means the direct exchange of SNAP benefits (formerly known as food stamps) for cash, which is illegal, and both retailers and recipients might engage in this form of fraud.52 Retailer trafficking of SNAP benefits usually occurs when a SNAP recipient sells their benefits for cash, often at a loss, to an owner or employee of a store participating in SNAP.53 The Food and Nutrition Act mandates penalties for retailers and participants engaged in trafficking, including fines and imprisonment.

USDA-FNS detects stores suspected of trafficking SNAP benefits through data analysis and undercover investigations and penalizes stores found to be engaged in retailer trafficking. An FNS analysis of retailer trafficking during the 2012-2014 period estimated that the retailer trafficking rate is 1.5%, up from 1.3% in the 2009-2011 study.54 States are responsible for detecting and

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51 Stores authorized to participate in SNAP are required to ensure that SNAP benefits are accepted as payment only for eligible food. Many, but not all, stores ensure compliance by programming their point of sale systems to recognize the SNAP eligibility of products at the checkout counter, thereby preventing the use of SNAP benefits to pay for ineligible products.
52 For the full definition of trafficking, see 7 C.F.R. §271.2. Trafficking can also include the exchange of SNAP benefits for controlled substances, firearms, ammunition, or explosives. Additionally, trafficking includes indirect exchanges, such as obtaining cash refunds for products purchased with SNAP benefits or reselling products purchased with SNAP benefits.
53 For example, a recipient swipes their SNAP EBT card for a $20 purchase transaction, but rather than receiving $20 of eligible food, the recipient obtains $10 in cash from the store owner. The total amount of the transaction ($20) is deposited into the store owner’s bank account. In this example, both the recipient and retailer are engaged in trafficking SNAP benefits.
penalizing recipients who engage in trafficking, though FNS provides states with grants and technical assistance in this effort. For more information, see CRS Report R45147, Errors and Fraud in the Supplemental Nutrition Assistance Program (SNAP).

**Items That May Be Purchased With SNAP Benefits**

Typically, participating households use their benefits in approved stores to buy food items for home preparation and consumption. In general, SNAP benefits may be redeemed for any foods for home preparation and consumption. SNAP benefits may not be redeemed for alcohol, tobacco, or hot foods intended for immediate consumption.

According to the Food and Nutrition Act, SNAP may also be redeemed for seeds and plants to produce food for personal consumption. Elderly and disabled recipients and their spouses may redeem SNAP benefits for meals prepared and served through approved communal dining programs or home-delivered meal providers. SNAP may also be redeemed for meals prepared and served to residents of drug addiction and alcoholic treatment programs, small group homes for the disabled, shelters for battered women and children, and shelters or other establishments serving the homeless. In the case of certain remote areas of Alaska, benefits may be redeemed for procuring food by hunting and fishing (e.g., nets, hooks, fishing rods, and knives).

According to annual benefit redemption data collected by USDA-FNS, in FY2017 nearly 100% of SNAP benefits were redeemed in markets and stores, and the remaining share, approximately 0.4%, were redeemed at meal services and delivery routes. Superstores and supermarkets made up less than 12% of stores authorized, but approximately 82% of SNAP benefits were redeemed at these stores. Convenience stores made up over 45% of stores authorized, but less than 6% of benefits were redeemed at them (see Table 4 for this FY2017 redemption data by retailer type).

**SNAP-Authorized Retailers**

SNAP benefits may be redeemed only at authorized retailers. The list of retailers that are authorized is varied—from supermarkets, to farmers markets, to convenience stores.

Table 4 displays the prevalence of each retailer type and the share of benefits redeemed at each type.

In addition to business integrity requirements, authorization is based on the retailers’ meeting inventory requirements in SNAP law and regulation. Whether a retailer is authorized requires two general steps: (1) an application for authorization and (2) passing a USDA-FNS administered inspection.

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55 Section 11(e)(20) of the Food and Nutrition Act (7 U.S.C. 2020(e)(20)).
The inventory requirements are based on the Food and Nutrition Act’s definition of staple foods and related inventory or sales requirements. The four categories of staple foods are meat, poultry, or fish; bread or cereal; vegetables or fruits; and dairy products. Regarding inventory and sales requirements, an eligible retailer must either

- offer (1) three varieties of qualifying foods in each of the four staple food categories, and (2) perishable foods in at least two of the staple food categories;

Or,

- have more than 50% of total sales from the sale of eligible staple foods (this option is often used for specialty stores that may specialize in certain of the staple food categories, e.g., a bakery, produce store, or butcher).

**Restaurants**

For the most part, SNAP benefits are not redeemable at restaurants, recalling that the benefits are not redeemable for hot, prepared foods. However, there does exist a state restaurant option. Under this option, states can choose to authorize restaurants to accept SNAP benefits for homeless, elderly, and disabled individuals—populations that may have difficulty preparing food, in addition to purchasing food. According to information provided by USDA-FNS, California, Arizona, Rhode Island, and Florida currently operate state-administered restaurant programs serving their elderly, homeless, and disabled populations. FY2017 redemption data indicate that approximately $63.5 million (or 0.1% of SNAP benefits) were redeemed at “Private Restaurant/Meal Delivery.”

**Farmers’ Markets**

Farmers’ markets may become SNAP-licensed retailers. USDA reported that 7,377 farmers’ markets or individual farmers were authorized to accept SNAP benefits in FY2017, and they redeemed a total of over $22.4 million in SNAP benefits (significantly less than 0.1% of SNAP benefits). Compared to FY2016, this is an increase of over 5% in authorizations and an increase of nearly 11% in benefits redeemed.

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60 See 7 U.S.C. 2012(o), (q).
61 As of the date of this report, these requirements are in effect. Although the 2014 farm bill required more varieties and a December 2016 final rule was published that would have implemented a requirement for more varieties, subsequent appropriations laws have kept USDA-FNS from enforcing the final rule and instead required USDA-FNS to promulgate new rules (FY2017 law, P.L. 115-31 (Section 765); FY2018 law, P.L. 115-141 (Section 728)). In the interim, some aspects of the final rule are in force. For further details on this status, see CRS Report R44650, Updated Standards for SNAP-Authorized Retailers, or see USDA-FNS website for retailers, “Is My Store Eligible?” https://www.fns.usda.gov/snap/my-store-eligible.
62 Rhode Island and Florida programs have a limited number of authorized restaurants in a limited geographic area of each state.
**Bonus Incentive Projects**

States, localities, and farmers’ market networks have created SNAP bonus incentive programs to encourage fruit and vegetable purchases at farmers’ markets as well as grocery stores. These allow SNAP participants to redeem their benefits for more than “money on the dollar.” For example, a participant might exchange $3 of benefits for a $6 voucher to redeem at the market; some projects use an electronic currency for the incentives. In the past, USDA-FNS required that the bonus funds be nonfederal dollars; however, the 2014 farm bill created a competitive grant program, the Food Insecurity Nutrition Incentive (FINI) grant program, which provides limited funding for bonus incentives. FINI grantees have been testing different methods of incentivizing SNAP purchases; a USDA-FNS evaluation is ongoing.

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### Table 4. Retailers Authorized and Benefits Redeemed by Retailer Type, FY2017

Retailer Types Are Displayed in Order of Each Type’s Share

<table>
<thead>
<tr>
<th>Type of Retailer</th>
<th># Authorized</th>
<th>% of All Retailers Authorized</th>
<th>Type of Retailer</th>
<th>$ Redeemed (in millions)</th>
<th>% of All SNAP Redemptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenience Store</td>
<td>119,248</td>
<td>45.3%</td>
<td>Super Store</td>
<td>$33,138.3</td>
<td>52.3%</td>
</tr>
<tr>
<td>Combination Grocery/Other</td>
<td>58,323</td>
<td>22.2%</td>
<td>Supermarket</td>
<td>$18,706.8</td>
<td>30.0%</td>
</tr>
<tr>
<td>Super Store</td>
<td>19,894</td>
<td>7.6%</td>
<td>Convenience Store</td>
<td>$3,512.8</td>
<td>5.6%</td>
</tr>
<tr>
<td>Supermarket</td>
<td>17,604</td>
<td>6.7%</td>
<td>Combination Grocery/Other</td>
<td>$3,397.4</td>
<td>5.4%</td>
</tr>
<tr>
<td>Small Grocery Store</td>
<td>13,273</td>
<td>5.0%</td>
<td>Medium Grocery Store</td>
<td>$1,333.6</td>
<td>2.1%</td>
</tr>
<tr>
<td>Medium Grocery Store</td>
<td>9,420</td>
<td>3.6%</td>
<td>Large Grocery Store</td>
<td>$1,327.3</td>
<td>2.1%</td>
</tr>
<tr>
<td>Farmers’ Market and Direct Marketing Farmers</td>
<td>7,377</td>
<td>2.8%</td>
<td>Small Grocery Store</td>
<td>$835.0</td>
<td>1.3%</td>
</tr>
<tr>
<td>Large Grocery Store</td>
<td>3,787</td>
<td>1.4%</td>
<td>Meat/Poultry Specialty Store</td>
<td>$315.0</td>
<td>0.5%</td>
</tr>
<tr>
<td>Bakery Specialty Store</td>
<td>3,358</td>
<td>1.3%</td>
<td>Seafood Specialty Store</td>
<td>$193.7</td>
<td>0.3%</td>
</tr>
<tr>
<td>Meat/Poultry Specialty Store</td>
<td>2,607</td>
<td>1.0%</td>
<td>Meal Services(^b)</td>
<td>$204.6</td>
<td>0.3%</td>
</tr>
<tr>
<td>Seafood Specialty Store</td>
<td>1,557</td>
<td>0.6%</td>
<td>Bakery Specialty Store</td>
<td>$151.3</td>
<td>0.2%</td>
</tr>
<tr>
<td>Delivery Route</td>
<td>946</td>
<td>0.4%</td>
<td>Delivery Route</td>
<td>$72.5</td>
<td>0.1%</td>
</tr>
<tr>
<td>Fruits/Vegetable Specialty Store</td>
<td>935</td>
<td>0.4%</td>
<td>Military Commissary</td>
<td>$55.5</td>
<td>0.1%</td>
</tr>
<tr>
<td>Meal Services(^b)</td>
<td>4316</td>
<td>0.3%</td>
<td>Fruits/Vegetable Specialty Store</td>
<td>$43.4</td>
<td>0.1%</td>
</tr>
<tr>
<td>Non-Profit Food Buying Co-op</td>
<td>269</td>
<td>0.1%</td>
<td>Non-Profit Food Buying Co-op</td>
<td>$17.3</td>
<td>0.0%</td>
</tr>
<tr>
<td>Military Commissary</td>
<td>188</td>
<td>0.1%</td>
<td>Farmers’ Market and Direct Marketing Farmers</td>
<td>$22.4</td>
<td>0.0%</td>
</tr>
<tr>
<td>Wholesaler</td>
<td>3</td>
<td>0.0%</td>
<td>Wholesaler</td>
<td>$1.8</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>TOTAL Retailers</strong></td>
<td><strong>263,105</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>TOTAL Benefits</strong></td>
<td><strong>$63,328.7</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Notes: The retailer classifications listed here are based upon USDA-FNS's internal guidance. “0.0%” indicates less than 0.05%.

a. Dollar amounts and total may differ from the USDA-FNS source data due to rounding.

b. “Meal Services” consolidates the USDA-FNS retailer types of Communal Dining Facility, Drug Alcohol Treatment Program, Group Living Arrangement, Homeless Meal Provider, Meal Delivery Service, Private Restaurant/Meal Delivery, Senior Citizens’ Center/Residential Building, and Shelter for Battered Women and Children.
Appendix. Historical SNAP Data

Table A-1. SNAP (formerly the Food Stamp Program) Participation and Spending, FY1989-FY2017

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Individuals</th>
<th>Households</th>
<th>Per Person</th>
<th>Benefits</th>
<th>All Other Costs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1989</td>
<td>18,806</td>
<td>7,231</td>
<td>$51.71</td>
<td>$11,670</td>
<td>$1,232</td>
<td>$12,902</td>
</tr>
<tr>
<td>1990</td>
<td>20,049</td>
<td>7,796</td>
<td>$58.78</td>
<td>$14,143</td>
<td>$1,304</td>
<td>$15,447</td>
</tr>
<tr>
<td>1991</td>
<td>22,625</td>
<td>8,877</td>
<td>$63.78</td>
<td>$17,316</td>
<td>$1,432</td>
<td>$18,747</td>
</tr>
<tr>
<td>1992</td>
<td>25,407</td>
<td>10,060</td>
<td>$68.57</td>
<td>$20,906</td>
<td>$1,557</td>
<td>$22,462</td>
</tr>
<tr>
<td>1993</td>
<td>26,987</td>
<td>10,790</td>
<td>$67.95</td>
<td>$22,006</td>
<td>$1,647</td>
<td>$23,653</td>
</tr>
<tr>
<td>1994</td>
<td>27,474</td>
<td>11,091</td>
<td>$69.00</td>
<td>$22,749</td>
<td>$1,745</td>
<td>$24,493</td>
</tr>
<tr>
<td>1995</td>
<td>26,619</td>
<td>10,879</td>
<td>$71.27</td>
<td>$22,764</td>
<td>$1,856</td>
<td>$24,620</td>
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<tr>
<td>1996</td>
<td>25,543</td>
<td>10,549</td>
<td>$73.21</td>
<td>$22,440</td>
<td>$1,891</td>
<td>$24,331</td>
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<tr>
<td>1997</td>
<td>22,858</td>
<td>9,455</td>
<td>$71.27</td>
<td>$19,549</td>
<td>$1,959</td>
<td>$21,508</td>
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<tr>
<td>1998</td>
<td>19,791</td>
<td>8,250</td>
<td>$71.12</td>
<td>$16,890</td>
<td>$2,098</td>
<td>$18,988</td>
</tr>
<tr>
<td>1999</td>
<td>18,183</td>
<td>7,668</td>
<td>$72.27</td>
<td>$15,769</td>
<td>$2,052</td>
<td>$17,821</td>
</tr>
<tr>
<td>2000</td>
<td>17,194</td>
<td>7,351</td>
<td>$72.62</td>
<td>$14,983</td>
<td>$2,071</td>
<td>$17,054</td>
</tr>
<tr>
<td>2001</td>
<td>17,318</td>
<td>7,449</td>
<td>$74.81</td>
<td>$15,547</td>
<td>$2,242</td>
<td>$17,789</td>
</tr>
<tr>
<td>2002</td>
<td>19,096</td>
<td>8,195</td>
<td>$79.67</td>
<td>$18,256</td>
<td>$2,381</td>
<td>$20,637</td>
</tr>
<tr>
<td>2003</td>
<td>21,250</td>
<td>9,153</td>
<td>$83.94</td>
<td>$21,404</td>
<td>$2,412</td>
<td>$23,816</td>
</tr>
<tr>
<td>2004</td>
<td>23,811</td>
<td>10,277</td>
<td>$86.16</td>
<td>$24,619</td>
<td>$2,480</td>
<td>$27,099</td>
</tr>
<tr>
<td>2005</td>
<td>25,628</td>
<td>11,196</td>
<td>$92.89</td>
<td>$28,568</td>
<td>$2,504</td>
<td>$31,072</td>
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<tr>
<td>2006</td>
<td>26,549</td>
<td>11,733</td>
<td>$94.75</td>
<td>$30,187</td>
<td>$2,716</td>
<td>$32,903</td>
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<tr>
<td>2007</td>
<td>26,316</td>
<td>11,788</td>
<td>$96.18</td>
<td>$30,373</td>
<td>$2,800</td>
<td>$33,174</td>
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<tr>
<td>2008</td>
<td>28,223</td>
<td>12,727</td>
<td>$102.19</td>
<td>$34,608</td>
<td>$3,031</td>
<td>$37,640</td>
</tr>
<tr>
<td>2009</td>
<td>33,490</td>
<td>15,232</td>
<td>$125.31</td>
<td>$50,360</td>
<td>$3,260</td>
<td>$53,620</td>
</tr>
<tr>
<td>2010</td>
<td>40,302</td>
<td>18,618</td>
<td>$133.79</td>
<td>$64,702</td>
<td>$3,581</td>
<td>$68,283</td>
</tr>
<tr>
<td>2011</td>
<td>44,709</td>
<td>21,072</td>
<td>$133.85</td>
<td>$71,811</td>
<td>$3,876</td>
<td>$75,686</td>
</tr>
<tr>
<td>2012</td>
<td>46,609</td>
<td>22,330</td>
<td>$133.41</td>
<td>$74,619</td>
<td>$3,790</td>
<td>$78,409</td>
</tr>
<tr>
<td>2013</td>
<td>47,636</td>
<td>23,052</td>
<td>$133.07</td>
<td>$76,066</td>
<td>$3,870</td>
<td>$79,936</td>
</tr>
<tr>
<td>2014</td>
<td>46,536</td>
<td>22,700</td>
<td>$125.37</td>
<td>$69,999</td>
<td>$4,163</td>
<td>$74,162</td>
</tr>
<tr>
<td>2015</td>
<td>45,767</td>
<td>22,522</td>
<td>$126.81</td>
<td>$69,645</td>
<td>$4,302</td>
<td>$73,947</td>
</tr>
<tr>
<td>2016</td>
<td>44,219</td>
<td>21,778</td>
<td>$125.40</td>
<td>$66,539</td>
<td>$4,384</td>
<td>$70,924</td>
</tr>
<tr>
<td>2017</td>
<td>42,203</td>
<td>20,889</td>
<td>$125.80</td>
<td>$63,708</td>
<td>$4,392</td>
<td>$68,101</td>
</tr>
</tbody>
</table>
Supplemental Nutrition Assistance Program (SNAP): A Primer on Eligibility and Benefits

Source: USDA-FNS data, as of March 9, 2018.

Notes: Dollar amounts displayed are provided in nominal terms. That is, the amounts displayed here have not been adjusted to reflect “2016 dollars.”

a. Based on monthly average data.
b. Includes the federal share of state administrative expenses, Nutrition Education and Obesity Prevention Grant Program (“SNAP-Ed”), SNAP Employment & Training, and other federal costs.

Author Information

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Acknowledgments

This report has been adapted from the work of Joe Richardson, retired CRS Specialist in Social Policy, and Gene Falk, CRS Specialist in Social Policy. Emma Sifre, a Research Assistant in the Domestic Social Policy division, assisted with updating this report.

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