



Oregon

Theodore R. Kulongoski, Governor

Department of Human Services

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April 29, 2009

The Honorable Margaret Carter, Co-Chair
The Honorable Peter Buckley, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048



Re: Potential SNAP ARRA Funds - \$212.9 Million

Dear Co-Chairpersons:

The recently passed American Recovery and Reinvestment Act (ARRA) included additional funding for Oregon's Food Stamp (or SNAP) program. The ARRA will increase Oregon food stamp benefit payments to Oregon citizens by 13.6% and also provides for a small amount of additional funds to administer the program. Oregon is anticipated to receive \$27.5 million of additional SNAP funds in 2007-09 and \$223.9 million in 2009-11.

Food Stamp or Supplemental Nutrition Assistance Program

The Food Stamp Program (FSB) is a federally funded benefit program to help low-income families, single adults and childless couples buy the food they need to meet their nutritional needs. While the benefits to clients are 100 percent federally funded, the administration of the program requires a 50 percent state match. The majority of the laws and regulations guiding the program are based on the Food and Nutrition Act of 2008, which also renamed the program at the federal level from the Food Stamp Program to the Supplemental Nutrition and Assistance Program (SNAP). Oregon's program is still named the Food Stamp Program.

The 2007-09 budget for the Food Stamp benefit program in Oregon is currently \$1.25 billion, with the 2009-11 budget anticipated to be about \$2 billion based on the Spring 2009 Forecast.



SNAP Stimulus Overview

ARRA increases food stamp benefit payments under the Supplemental Nutrition Assistance Program (SNAP), formerly called Food Stamps, by 13.6 percent beginning April 1, 2009. Additional administrative funds have been awarded, which do not require the 50 percent match. The Act also lifts restrictions that limit how long unemployed individuals without children can receive benefits. With the increased demand for services due to the down economy, and the relaxing of program restrictions as noted above, this increase is needed.

Use of SNAP ARRA funds for 2007-09 and 2009-11

Oregon expects to receive \$27.5 million of additional SNAP funds in 2007-09 and \$223.9 million in 2009-11. DHS has already received limitation for 2007-09 and will incorporate the 2009-11 limitation in the normal LAB non-limited Federal Funds limitation and Food Stamp Administration Federal Fund request. No application was required.

Oregon expects \$5.7 million of additional administrative funds of which \$2.8 million has already been awarded. DHS is planning to combine the ARRA funds with food stamp bonus monies to fund the 60 limited duration positions approved at the December 2008 rebalance, for up to 23 months of 2009-11.

Sincerely,



Jim Scherzinger
Deputy Director of Finance

CC: John Britton, Legislative Fiscal Office
Sheila Baker, Legislative Fiscal Office
Blake Johnson, Department of Administrative Services