

REACHING THOSE IN NEED: FOOD STAMP PARTICIPATION RATES IN THE STATES

Office of Research and Analysis

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Background

This is the second report in a series of publications that presents estimates of the percentage of eligible persons, by State, who participate in the Food Stamp Program. This issue presents food stamp participation rates for States in September 1997 and the changes in State rates between September 1994 and September 1997. This information can be used to examine States' performance over this period and help understand the effects on food stamp participation rates of a strong economy with expanding job opportunities and the very early consequences of welfare reform and food stamp changes that were brought about by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Findings

In September 1997, about 62 percent of eligible people in the United States received food stamps. Participation rates varied widely among States from a low of 45 percent in Nevada to 92 percent in West Virginia.

Nationwide, the food stamp participation rate fell by nine percentage points – from 71 percent to 62 percent – between September 1994 and September 1997. Participation rates fell in every region of the country and in all but five States. Arizona's participation rate fell the most – by 22 percentage points, from 73 percent to 51 percent – while Oklahoma's and the District of Columbia's participation rates rose the most – by 8 and 10 percentage points, respectively. As a result of the large disparity in the rate changes, the variation in participation rates among States actually widened between September 1994 and September 1997.

The estimates are derived using a statistical approach known as shrinkage estimation that draws on data from the Current Population Survey, the Decennial census, and administrative records. The shrinkage estimator averages sample estimates of participation rates with predictions from a regression model that is based on indicators of socioeconomic conditions. Shrinkage estimates are substantially more precise than direct sample estimates from the Current Population Survey or the Survey of Income and Program Participation, the leading sources of current data on household income and program eligibility. Nevertheless, the estimated participation rates are based on fairly small samples of households in many States and the uncertainty associated with the estimates for these States is large.

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