

# United States Senate

WASHINGTON, DC 20510-4502

January 24, 2008

The Honorable Harry Reid  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Mitch McConnell  
Minority Leader  
United States Senate  
Washington, DC 20510

Dear Majority Leader Reid and Minority Leader McConnell,

As you continue work on comprehensive legislation to stimulate the economy, I urge you to place a high priority on providing relief through the Food Stamp program to the millions of Americans who are hungry or at severe risk of going hungry. A stimulus package provides an opportunity to give a boost to the economy and at the same time deliver meaningful assistance to those that will be most impacted by a possible economic downturn.

A recent USDA study has shown that Food Stamp benefits have a measurable impact on the economy. From this study we know that recipients are more likely to spend any additional income on food and have a tendency to increase their spending on food when they utilize their Food Stamp benefits. These factors mean that an investment of \$1 in Food Stamps has a multiplier effect of generating \$1.84 in economic activity. We also know that Food Stamp recipients will utilize the benefits they are provided; each month over ninety percent of Food Stamp recipients spend the majority of their benefits, ensuring that any additional benefits they receive will be put right back into the economy.

Time and time again the Food Stamp Program has proven itself as a reliable mechanism for delivering quick and effective assistance to those that need it most. From the aftermath of Hurricane Katrina to smaller regional disasters, Food Stamps have served as the strongest piece of the federal safety net for vulnerable Americans. The federal government also has a track record of providing temporary increases in benefits to assist vulnerable populations. In one instance, after residents in the Buffalo area lost days worth of food due to a snow storm knocking out power, USDA granted New York a waiver to restore a month's worth of benefits to Food Stamp recipients who had lost their food. With an electronic transfer of benefits, additional funds can be quickly delivered to participants at little cost.

It is essential that any package considered by Congress deliver a temporary increase in Food Stamp benefits to all recipients. This could best be achieved with an across the board twenty percent increase of benefits for a six month period. Further, we should provide a temporary increase to the minimum benefit, an action that will have a

pronounced positive impact for low income older Americans who will be ineligible for most other portions on this economic package. In order for states to effectively deliver these benefits we must also provide a modest amount of funds so that they can process any new benefits as quickly as possible and to properly educate recipients about changes to the program.

While many of us believe that it would be beneficial to make these program changes permanent, the goal of this economic stimulus package is to provide timely and targeted relief. The ideas offered here fit these criteria and would provide an impressive return in economic activity per dollar spent.

Thank you for your interest and I look forward to working with you on this issue.

Sincerely,

  
PATRICK LEAHY  
United States Senator