

Chapter 3

NUTRITION

I. CONDITION INDICATORS

In 2002, over 13 million U.S. children—18.1% of all children—lived in households reporting any level of food insecurity; children in families below the poverty line were nearly three times more likely to experience food insecurity and hunger than children in families with incomes above the poverty line.¹ Hungry children are not highly visible. The brain is vulnerable to damage from undernutrition far short of gross physical symptoms, particularly for children under six years of age. Even where severe malnutrition produces apparent emaciation, the preschool children who are most vulnerable are not commonly seen by the “mandated reporters” relied upon to detect child abuse and neglect by California law (*e.g.*, school nurses, teachers, school counselors). And parents of hungry children do not readily admit to their failure to provide basic nutrition. Hence, food-insecure households do not easily report the hunger of their children.

Far short of apparent severe malnutrition, the more common “undernutrition” can cause serious and permanent damage, particularly if chronic. The children who lack nutrition live long lives with a higher incidence of disability, and short of the potential their creative minds offer us. We refer to “hunger” and “undernutrition” interchangeably in this chapter to refer to such shortfalls in nutrition.

For pregnant women and young children, such undernutrition correlates statistically with low birthweight babies, retarded physical growth, higher infant mortality, brain underdevelopment, cognitive disability, language dysfunction, and other long-run costs. It also correlates with measurable cognitive and concentration shortfall, in turn reflected in school performance; children living in food-insecure households tend to do less well in school with increased absences, tardiness, more school suspensions, and poorer cognitive functioning² (see the “III.A. Consequences” discussion below).

The Center on Hunger and Poverty recent summary of the large body of research correlating hunger and less marked “food insecurity” with disadvantageous consequences appears below.

A. Clinical Condition Indicators

In terms of the commonly-accepted clinical indicators, an increasing number of California children show evidence of poverty-related undernutrition. One example is the empirical measurement of iron deficiency anemia resulting from nutritional deficits.³ Of slightly more than one million screens in 1993 by California’s Child Health and Disability Prevention (CHDP) program of children living below 200% of the federal poverty line, 15.4% fell below the 5th percentile, a clinical indicator of anemia.⁴ The highest rates, over 20% of those tested, were for infants and toddlers.⁵ The rates for those living below 150% of the poverty line or below the line itself, are inferentially much higher. The trend in California rent inflation

above poverty line increase and safety net cuts since the mid-1990s suggest an anemia problem among the 2.6 million children below the poverty line in 2004 (see recent studies of California hunger incidence discussed below).

Adverse Consequences of Hunger and Food Insecurity for Children

Health

- ◆ Poorer overall health status and compromised ability to resist illness
- ◆ Elevated occurrence of health problems such as stomachaches, headaches, colds, ear infections, and fatigue
- ◆ Greater incidence of hospitalizations

Psychosocial and Behavioral

- ◆ Higher levels of aggression, hyperactivity, and anxiety as well as passivity
- ◆ Difficulty getting along with other children
- ◆ Increased need for mental health services

Learning and Academic

- ◆ Impaired cognitive functioning and diminished capacity to learn
- ◆ Lower test scores and poorer overall school achievement
- ◆ Repeating a grade in school
- ◆ Increased school absences, tardiness, and school suspension

Source: Center on Hunger and Poverty, *The Consequences of Hunger and Food Insecurity for Children*, Heller School for Social Policy and Management, Brandeis University (June 2002) at 6.

The federal Centers for Disease Control and Prevention believes that for each such case of iron deficiency anemia, there is a corresponding case of iron deficiency without anemia. Therefore, among the one million screened, nutritional deficits may affect 300,000 of these California children.⁶ This finding confirmed earlier CHDP 1991 screens, which found 18.1% of children examined to be anemic, and 7.1% of them undernourished to the point they were growth-stunted.⁷ Projecting the empirical rate of iron undernutrition across California's children at similar levels of impoverishment suggests that 800,000 children currently have serious iron deficiency—half of whom indicate anemia.⁸ The federal "Healthy People 2000" goal for anemia, adopted by California, is prevalence under 3% by 2000. The state did not meet this goal.

B. Nutrition and Poverty Relationship and Indicators

Research into the relationship between child poverty and nutritional shortfall by the respected Tufts University School of Nutrition found that the clinical findings cited above understate California child undernutrition. Table 3-A and Figure 3-A display results from the national study by Tufts of U.S. children. It showed significant nutritional deficits for children at or below 130% of the poverty level. Compared to the non-poor, these children had significantly greater incidence of deficits for ten of the sixteen nutrients measured, including food energy and critical vitamins and minerals.⁹ The deficit in calories helps explain the observation that hungry children have less energy to interact socially, explore their environment actively, and attend to tasks at school. Other deficits, particularly the substantial lack of zinc, iron, and vitamin E, have developmental implications.

Increasing child undernutrition is associated with increases in both the prevalence and the depth of poverty. The original federal poverty level (FPL) assumed that adequate nutrition requires one-third of a family's income.¹⁰ However, food costs have risen faster than the general inflation rate used to annually adjust the federal poverty line,¹¹ and other costs—especially housing costs in California—consume a far higher share of a poverty-level income than was formerly the case.¹²

Nutrient	Poor*	Non-Poor	Rel. Risk**	Deficiency Effect
Food Energy (calorie intake)	15.8%	6.0%	2.6	attention, concentration; learning deficits, cognitive disorders
Folate	13.2%	6.3%	2.1	anemia, forgetfulness, immune response, depression, mental functions
Iron	40.8%	25.2%	1.6	anemia, fatigue, distractibility, cognitive development
Magnesium	11.7%	2.3%	5.1	weakness, growth failure; teeth, protein building
Thiamin	3.5%	0.0%	--	nervous and cardiovascular systems, energy production, cell reproduction
Vitamin A	11.1%	1.9%	5.8	vision, bones, teeth, reproduction; infectious, chronic diseases
Vitamin B6	16.9%	6.4%	2.6	weakness, irritability; red blood cells
Vitamin C	18.2%	6.2%	2.9	bone strength, wound healing, infection resistance
Vitamin E	33.2%	18.8%	1.8	muscle coordination, nervous system
Zinc	51.2%	34.8%	1.5	immune response, blood clotting, mental lethargy, growth, night blindness

Nutrients with non-significant differences: calcium, niacin, phosphorus, protein, riboflavin, vitamin B12 (for all, prevalence for poor>non-poor).
 * Poor: below 130% of federal poverty threshold. ** Relative Risk: Ratio of Poor to Non-Poor Prevalences.
 Source: J Cook & K Martin. "Differences in Nutrient Adequacy Among Poor and Non-Poor Children." Tufts Univ., 1995.

TABLE 3-A. Percent of Children Aged 1-5 With Nutrient Intakes Less Than 70% of RDA by Income Level and Nutrient

The condition indicator “hunger,” indicating both malnutrition and undernutrition, is now being augmented with the concept of “food insecurity,” where persons may be receiving adequate nutrition, but their supply of food is precarious. More persons will be “food insecure” than will be hungry, but food insecurity is considered by leading nutrition experts to be a precursor to hunger. More important, food insecurity identifies a population at risk where food shortages or income cuts from vulnerable populations are predicted.¹³

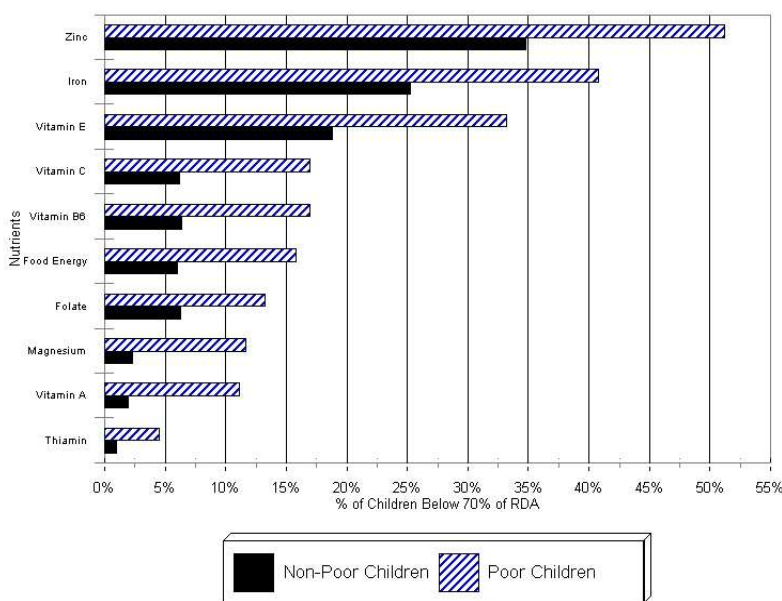


FIGURE 3-A. Percent of Children Aged 1-5 With Nutrient Intakes less Than 70% of RDA by Income Level and Nutrient

Consistent with this evolving terminology, the University of California at Berkeley School of Public Health’s 1995 report to the Senate Office of Research concluded in 1995 that California’s recession, AFDC cuts to poor children, and the state’s higher cost of living all combined to place those at or below the poverty line (2.5 million children in 1994) at extreme risk of hunger, while those up to 185% of the FPL (another 4 million children) suffered “food insecurity” or moderate risk of hunger.¹⁴

Characteristic	Good Diet	Diet Needs Improvement	Poor Diet
Race			
White	19	73	8
Non-White	18	72	10
Household Type			
Dual-headed	19	73	11
Single-headed	18	73	8
Household Income			
Low-income	16	73	11
Non-low-income	20	72	8
Food Stamp Recipient			
Yes	16	73	11
No	20	72	8
Food Sufficiency			
Sufficient	19	73	8
Not sufficient	13	69	18

TABLE 3-B. Quality of Young Children’s Diets by Sociodemographic Characteristics¹⁵

The state’s child poverty rate peaked at 28.2% in 1994—up substantially from 12% to 20% historically. It fell to 24.2% in 2000–01 and has since again started a slow rise to a projected 24.8% in 2003–04.¹⁶ Because of overall population growth, the number of children both under the poverty line and under 185% of the line is slightly greater than in 1994. Hence, for the last nine years, about 1.8 million of California’s 2.6 million children in families with incomes less than 100% of the federal poverty level have been at “extreme risk of hunger.”

C. Hunger Incidence¹⁷

The 1990 Community Child Hunger Identification Project (CCHIP) Central Valley survey¹⁸ found that 36% of families sampled faced severe hunger and regular problems getting enough food. The average household spent 44% of its income on shelter, with one-third of hungry households spending more than half of their income on shelter. Hungry children faced more health risks and experienced twice as many specific health problems as did families without hunger, and were also more likely to receive no or inadequate health care.¹⁹ Families exhibiting substantial hunger averaged incomes at 72% of the poverty line.²⁰ Since that survey, the level of benefits provided by safety net programs, including AFDC/TANF and Food Stamps, has now declined to 73% of the poverty line for the benchmark family of mother and two children (see Chapter 2 discussion).

A 1997 study using 1992 data measured a well known result of nutrition shortfall: stunting (low height for age). According to the U.S. Public Health Service, the Surgeon General’s 1990 goal of eliminating growth retardation of infants and children caused by inadequate diets was not met because significant numbers of low-income children continued to suffer retarded growth. In 1992, almost twice as many low-income children as would be expected were short for their age.²¹

Another indicator of nutrition need is lines at soup kitchens and charitable outlets. A survey of AFDC recipients in 1993–94 found 28.9% seeking some help from charity to feed themselves or their children; this share amounts to 751,400 persons, of whom 511,000 are children.²² Food banks and private food distribution centers have reported increased demand and to provide more meals to more people—a demand they often have been unable to meet.²³ No surveys have updated these 1994 numbers, but charity food services have reported increases from 1994 to 2003—with waiting lists and demand outstripping supply. The population of greatest concern to public health officials are those not on the current TANF rolls, but with below poverty line income who are not receiving it, and in most cases also do not receive Food Stamps for child safety net protection (see discussion of low Food Stamp participation below).

D. Indicators of California Child Hunger

In 1995, the average monthly rent of a TANF family was \$346 per month.²⁴ In 1996 it rose to \$354 and by March 1998 it stood at \$369.²⁵ Average rents are now well above \$450 in the 17 Region 1 urban TANF counties where most recipients live. Median rents in California's urban centers now exceed \$600 per month. Most have utility bills from \$155 to \$180 per month.²⁶ The 1996 survey cited above found that during the prior twelve months, 24% of the sample had been unable to pay rent on time on three or more occasions. Only 55% made all of the previous twelve monthly payments when due.²⁷ In 1996, 4.9% were unable to pay anything for housing, representing a population relying on shelters or other charity, homeless, or delinquent. That percentage climbed in the October 1997 to September 1998 period to 17.6%, representing 124,770 families with children.²⁸

A survey of Food Stamp recipients using data from 1998 found an average net earned income of \$409 per month per household. In terms of resources, 79.6% had no savings or checking account monies whatsoever; of the 20.4% who did, the average amount was \$611. No vehicle was owned by 75.6% of households receiving Food Stamps.²⁹ As discussed in Chapter 2, these indicators of child poverty have not assuaged substantially since 1998. While the number of children receiving TANF has declined by 500,000 since that time, the majority of those children have not risen above the poverty line, and many have lost previous Food Stamp support. For example, the most recent study of savings indicates the average TANF family now has only \$400 in total savings rather than the \$611 found in 1998.³⁰

Apart from these indicators of extreme poverty, several studies of hunger incidence since 1997 confirm high hunger levels among the state's impoverished children. All include California results or surveys:

◆ On October 22, 1997, the Tufts University School of Nutrition Science and Policy released its "state-level breakout" study of food insecurity, finding California to be one of the nation's ten most food-insecure states, with 14.4% of its households affected and 4.767 million persons—most of them children.³¹

◆ On May 7, 1998, Physicians for Human Rights released a study of hunger among immigrant populations in three states (California, Texas, and Illinois). The study found overall moderate hunger incidence at 3.3% nationally, but at 25.2% within the target population; it found "severe hunger" at 0.8% nationally but afflicting 8.5% of the subject population.³² The 33.7% of immigrants experiencing moderate to severe hunger at the thirteen sites studied among the three subject states was alarming; the levels extant have not brought media attention or public consciousness, notwithstanding their breadth and implications.

◆ On May 27, 1998, California Food Policy Advocates, a respected California nonprofit group, released its survey of randomly-selected immigrant families in Los Angeles (403 families were surveyed in November 1997 and 376 were surveyed in March 1998). The survey found "severe hunger" in 40% of the households where at least one member had lost Food Stamps. By March, the number had risen to 50%. That rate translates to 69,000 children across the legal immigrant population affected by Food Stamp cuts. The study calculated that families losing stamps were 30% more likely to suffer extreme hunger. A January 1998 survey of 241 San Francisco households included random samples of those with children and those without, and had similar results.³³ There, 33% of children living in immigrant households with Food Stamp cuts were experiencing moderate to severe hunger. The findings underline the obvious fallacy that cutting "the parent's share" will not harm children in the same family.

◆ A survey of 25 cities across the nation (including Los Angeles) revealed that during 2002, requests for emergency food assistance by families with children increased by an average of 17%.³⁴ On average, 16% of the requests for emergency food assistance are estimated to have gone unmet during that time period. Forty-eight percent of the people requesting emergency food assistance in 2002 were members of families—children and their parents. Almost 40% of the adults asking for food in 2002 were employed. High housing costs lead the list of causes of hunger identified by the city officials. Other causes cited, in order of frequency, include low-paying jobs, unemployment and other employment-related problems,

economic downturn or weakening of the economy, medical or health costs, homelessness, poverty or lack of income, substance abuse, reduced public benefits, child care costs, mental health problems, and limited life skills.³⁵ Notwithstanding increasing need, the 2002 results report that 64% of city emergency food assistance facilities have had to decrease the number of bags of food provided and/or the number of times people can receive food.³⁶

◆ According to a Food Research and Action Center survey of families living below 185% of the poverty line (making up over one-third of California's children), hungry children suffer from 2–4 times as many individual health problems, such as unwanted weight loss, fatigue, headaches, irritability, inability to concentrate, and colds, as low-income children whose families do not experience food shortages.³⁷

◆ America's Second Harvest's 2001 national report found that food inventories of charities cannot meet the demand of increasing hunger. Its research found that during 2000, 29.2% of pantries, 39.3% of kitchens, and 17.7% of shelters turned away clients at least once due to lack of food resources. It also found that children who participate in school meal programs turn to emergency providers during the summer. The study also found that 50.5% of recipient households with children are headed by a single parent. Almost eighty percent have annual household income below \$17,988, and 36% report having to choose between rent and food.³⁸

◆ In January 2000, the Center on Hunger and Poverty of Tufts University released its review of the impact of welfare reform to date on the impoverished, including California data and studies. The Center concluded that welfare reform dynamics have increased the incidence of undernutrition, particularly among impoverished children and immigrant families. This thesis is of special concern for California, which has disproportionately high populations of both groups.

The report's findings include the following: (1) workers with earnings below the poverty line report little job security; (2) about 15% of Americans with children were food insecure in 1995 through 1998, including 12.4 million children; (3) nearly one in three single parent households is food insecure, and one in ten is hungry; (4) families leaving welfare struggle to provide food for their children; (5) emergency food programs are reporting increasing demand of 14% to 38%; (6) children leaving the Food Stamp program number three times as many as those rising above the poverty line; (7) the percentage of poor children whose families received Food Stamps dropped from 94% in 1994 to 75% in 1998; and (8) immigrants experience particular difficulty, with over 500,000 immigrants ineligible for federal Food Stamps and leery of any participation in the program (even where states make assistance available).³⁹

◆ In May 2000, the Manpower Demonstration Research Corporation released its findings from a sample of four cities, including Los Angeles. The study analyzed 1998–99 data on 3,765 single mothers to measure the effect of the federal Personal Responsibility Act (PRA) on mothers with children. One third of the sample was working without benefits (*e.g.*, CalWORKs placed parents), just over one-half were receiving TANF benefits, with one-third of these parents working, 11% were neither working or receiving benefits. The study found that about half of the families were food insecure and in nearly one-third of the surveyed families, children had reduced-quality diets or suffered hunger, compared to 9% of children nationally. Food insecurity was lowest among those off welfare and working, but even in this group 45% suffered from food insecurity. Food hardships varied significantly among the four surveyed sites in four states, with families in Los Angeles, California at the highest level of 66%. The study concluded: "These results are broadly consistent with evidence that working poor women experience as much material hardship as welfare-reliant women and that employment as a supplement to welfare does not necessarily ameliorate food hardships." The study added that "Food Stamps by themselves do not guarantee food security...other reforms targeting nutrition assistance to low-income workers and their children may be needed...."⁴⁰

◆ A summary of the evidence available in July 2001 of the fate of former CalWORKs recipients in four counties concluded that over half the leavers surveyed were working, but that earnings are barely above the poverty line and well below self-sufficiency levels, with a median wage of from \$8.80 to \$9.26 per hour, about one-half the level necessary to pay for food and other necessities. Remarkably, less than 20% are receiving Food Stamp benefits, although almost all CalWORKs families qualify (given the 130% of poverty line eligibility).⁴¹

◆ The Wave 2 Findings of the respected welfare reform study by the four-university consortium in April 2002 found that CalWORKs women have moved into low-wage jobs, raising the income of those working. However, unlike some of the national studies, average income in California for those now employed remains at just over \$12,000 annually—still below the poverty line. Related measures of economic well-being show little improvement. For example, “almost one fifth of all mothers recently cut the size of meals because they didn’t have enough money to buy more food—three times the rate reported by all adults nationwide.”⁴² Moreover, this study focused on those women who have obtained employment. The fate of two other large groups of children has not been carefully assessed include (a) those one million children who remain dependent on TANF aid, now cut to 70% of the poverty line (including the average allotment of Food Stamps) as proposed for 2002–03, and (b) the approximately 400,000 children whose parents have left TANF, have not obtained employment, and most of whom are also not receiving Food Stamps. Although not receiving public or media attention, this large “out of sight—out of mind” group of children is likely to be dependent upon the happenstance of charity; many are likely to be in desperate straits and suffering irreparable harm.

E. California’s National Child Hunger Standing

A national survey of hunger published in 1996 found California to rank 49th among the 50 states in alleviating hunger among children under the age of twelve; only Louisiana had a higher percentage of undernourished children. California’s incidence projected to 867,600 affected children under twelve years of age.⁴³ The criteria employed are relatively conservative, and include only the bottom 40% of those living under the poverty line.

In September 1997, the U.S. Department of Agriculture released its Food Security Measurement Study from April 1995, finding nationally 11.9 million households with 34.7 million persons threatened by hunger.⁴⁴ In early 2000, the Department analyzed data from September 1996, April 1997, and August 1998 to rank the states according to “food insecurity” of its residents. Here, food insecurity is defined narrowly as: “limited or uncertain access to enough safe, nutritious food for an active and healthy life. These households have reduced quality...and may have irregular food intake. There may be a need for recourse to emergency food sources or other extraordinary coping behaviors to meet their basic food needs.” The Department concluded: “Although most U.S. households are food secure, during the period 1996–1998 some 10 million households (9.7%) were food insecure...The incidence is significantly above the national average in eleven states—Arizona, Arkansas, California, Florida, Louisiana, Mississippi, New Mexico, Oklahoma, Oregon, Texas, and Washington.”⁴⁵

On August 15, 2002, the Center on Hunger and Poverty of Brandeis University released its national ranking of hunger, using census and other government data from 1998, 1999 and 2000. In terms of overall food insecurity, California ranked 12th nationally, with 12.57% of the households affected, and 3.6% experiencing hunger. Of the five million Californians with food insecurity, two million are children; 447,000 of those children are also in the more extreme designation of “food insecure with hunger.”⁴⁶

II. MAJOR PROGRAMS AND BUDGETS

California’s major programs to prevent childhood hunger, apart from the TANF grants presented in Chapter 2, are (1) Food Stamps; (2) child nutrition programs (various school and child care meal subsidies); and (3) the Special Supplemental Food Program for Women, Infants, and Children (WIC). Making adequate nutrition available to children in need is the goal of these accounts. Food Stamp spending, although declining sharply since the mid-90s, remains the largest child nutrition program (at \$1.64 billion), with direct child nutrition (breakfast/lunch) programs and WIC now approaching it in spending levels (at \$1.4 billion and \$1 billion, respectively).

A. Participation

Table 3-B presents recent participation data for each of the major child food safety net programs. The number of Food Stamp recipients reached its zenith in 1995–96 at 3,157,167 Californians, and has

since fallen precipitously to 1,766,364 as of January 2004. It is projected for further decline, partly due to obstacles discussed below. About two-thirds of the recipients are children.⁴⁷ This remarkable 44% drop in nine years is substantially the result of TANF roll diminution. As with Medicaid cut-offs (see Chapter 4), those who leave TANF caseworker attention do not pick up attendant benefits (Food Stamps/medical coverage for children) for which they remain qualified. That remaining qualification includes the more than 30% who do not obtain employment but lose benefits, and approximately half of those who do obtain employment but remain below or close to the poverty line. The number of children currently living in poverty is approximately the same as in 1996–97, with a slight increase projected for 2004–05.⁴⁸

PROGRAM	CALIFORNIA PARTICIPATION
Food Stamps	1,766,364 (January 2004) (65% children)
School Lunch	2,653,289 children participating (January 2004) <ul style="list-style-type: none"> ◆ 517,115,520 lunches served (FY 2003) ◆ 49% of children received free lunches ◆ 10% of children paid the reduced price ◆ 41% of children paid the full price
School Breakfast	819,450 children participating (March 2004) <ul style="list-style-type: none"> ◆ 173,692,519 breakfasts served (FY 2003) ◆ 74% of children received free breakfasts ◆ 9% of children paid the reduced price ◆ 17% of children paid the full price
WIC	1,288,246 participants (January 2004) <ul style="list-style-type: none"> ◆ average monthly food cost per person: \$39.01 (FY 2003)
Child & Adult Care Food Program	320,479 average daily attendance (FY 2003) <ul style="list-style-type: none"> ◆ 197,973,817 total meals served (FY 2003)
Summer Food Service Program	117,983 participants (FY 2003) <ul style="list-style-type: none"> ◆ 6,460,052 meals served (FY 2003)
Emergency Food Assistance Program	12,000,000 participants (FY 2002-03)

Sources: California Department of Social Services, California Department of Education, USDA Food and Nutrition Service, Food Research and Action Center, California Association of Food Banks.

TABLE 3-B. Nutrition Program Participation in California: FY 2003–04

Approximately one million children below the poverty line have lost Food Stamp coverage since 1996. A report issued in May 2003 found that 82% of working poor families received no Food Stamps; 5% received Food Stamps for 1–11 months; and only 13% received Food Stamps for the entire year.⁴⁹ Another study indicated that 41% of all eligible households received Food Stamps in California, but that proportion was 75% in 1996.⁵⁰ This count includes only those below the poverty line and hence in greatest need of food assistance (some Food Stamp help on a sliding scale downward is available up to 130% of the poverty line). In January 2003, the U.S. Department of Agriculture's Food Nutrition Service's state-by-state report of Food Stamp participation in 2002 found California's rate to be the second lowest in the nation. While South Dakota, Missouri, Kentucky and Maine had rates of above 80%, California stood at 39%, with only Utah lower.⁵¹

Current and proposed county cuts will include substantial numbers of Food Stamp eligibility workers. Although Food Stamp benefits are federally funded, the state is able to save small amounts of general fund monies by cutting state outreach and caseworkers and is now doing so, as discussed in Chapter 2. In contrast, Oregon engaged in an outreach effort from 1997 to 2002 that increased participation by 56%.⁵² In addition to the population of 1.5 million children below poverty line lacking Food Stamp benefits, another large group living in families between the line and the 130% FPL cut-off is similarly uncovered. In sum, about two-thirds of the children eligible for some Food Stamp aid do not receive it. California has done little to get it for them.

The remaining numbers in Table 3-B cover only children, except for the Temporary Emergency Food Assistance Program. Despite the apparently large number of programs and substantial raw numbers of

child participants, their combined effect does not assure minimal nutrition for impoverished children, and mitigate a declining portion of this critical deficiency. Moreover, the additional numbers of children lowered into “extreme poverty” (below 50% of the poverty line) as discussed in Chapter 2, in combination with the empirical findings and Food Stamp disenrollment, suggests that a record number of California children are suffering serious nutritional shortfall.

As noted above, the two largest programs are Food Stamps and direct nutritional programs, particularly school lunches. Food Stamps provide less than one-half the amount necessary for child nutrition and is now being received at a substantially smaller scale. School lunches have not been cut and benefit from wide participation, but account for only 25% of the nutritious meals needed by children aged 5 to 18. WIC, covering pregnant women and children aged 0–5, is successful as to pregnant women and newborns, but still falls short of full participation for children over one year of age. The children most at risk as these programs interact are those aged 2–5, a critical period for brain development. These children have low WIC participation, and are not in school for subsidized lunches. The other programs, intended to partially fill these gaps, suffer from relatively low funding and participation, as discussed below.

B. Food Stamps

Under the Food Stamp Act of 1964, low-income households are provided with coupons which are redeemable for food at retail food stores. The federal government pays for 100% of the coupons. The program is administered on the federal level by the U.S. Department of Agriculture (USDA) and in California by the state Department of Social Services (DSS) and by county social services offices. The state pays 44% and the counties 15% of the limited “administrative costs” of the program.

Table 3-C reflects the substantial increase in the number of Food Stamps recipients from 1989–90 to 1996–97, one result of California’s recession in the early 1990s. Caseloads increased by 80% from 1989 through 1994, but then leveled. After reaching a zenith of 3.2 million recipients in 1995–96, they declined to 2.8 million in 1996–97 and to 1.8 million estimated for the current year. Consistent with California’s low percentage participation nationally noted above, its decline in Food Stamp assistance is among the steepest in the nation over this period.

	Budget Year									Estimated	Proposed	Percent Change	
	1989–90	1996–97	1997–98	1998–99	1999–00	2000–01	2001–02	2002–03	2003–04			2004–05	'89-'03
General Fund	\$0	\$7,409	\$8,257	\$18,190	\$63,018	\$88,259	\$88,022	\$70,780	\$24,049	\$34,753	–	44.5%	
Federal Trust Fund	\$0	\$13,117	\$13,477	\$13,648	\$12,364	\$13,625	\$14,121	\$15,624	\$13,369	\$15,000	–	12.2%	
Reimbursements	\$0	\$0	\$0	\$0	\$153	\$0	\$0	\$0	\$0	\$0	–	–	
Emerg. Food Assist. Program Fund	\$0	\$0	\$0	\$0	\$0	\$559	\$333	\$309	\$437	\$387	–	–11.4%	
Benefits–Federal (Coupon Value)	\$900,870	\$2,463,610	\$2,428,740	\$1,759,431	\$1,624,368	\$1,509,146	\$1,624,141	\$1,818,022	\$1,891,071	\$1,980,839	109.9%	4.7%	
Total	\$900,870	\$2,484,136	\$2,450,474	\$1,791,269	\$1,699,903	\$1,611,589	\$1,726,617	\$1,904,735	\$1,928,926	\$2,030,979	114.1%	5.3%	
Adjusted Benefits	\$1,327,072	\$3,014,966	\$2,915,945	\$2,077,712	\$1,879,231	\$1,683,603	\$1,750,662	\$1,886,016	\$1,891,017	\$1,908,340	42.5%	0.9%	
# of Food Stamp Recipients	1,874,249	2,814,761	2,259,069	2,027,089	1,831,697	1,725,156	1,671,714	1,654,057	1,784,226	1,841,685	–4.8%	3.2%	
Total # of Food Stamp Cases	666,366	1,045,260	865,312	745,994	672,198	633,029	634,265	635,770	698,259*	721,917	4.8%	3.4%	
Food Stamp Benefits/Person/Mo.	\$40.05	\$72.94	\$89.59	\$72.33	\$73.90	\$72.90	\$80.96	\$85.14	\$82.82*	\$89.63	112.6%	6.1%	
Adjusted Benefits/Person/Mo.	\$59.00	\$89.26	\$107.56	\$85.41	\$85.50	\$81.33	\$87.27	\$88.32	\$82.82	\$86.35	46.9%	1.4%	
Food Stamps Benefits/Case/Mo.	\$112.66	\$196.41	\$233.90	\$196.54	\$201.38	\$198.67	\$213.39	\$221.50	\$217.16*	\$228.66	96.6%	4.3%	
Adjusted Benefits/Case/Mo.	\$165.96	\$240.37	\$280.82	\$232.10	\$232.97	\$221.63	\$230.01	\$229.78	\$217.16	\$220.29	36.8%	–0.3%	

Dollar amounts are in \$1,000s except per capita or as noted. Sources: Governor’s Budgets, USDA Food and Nutrition Service Food Stamp Program Data; estimates based on USDA and CDSS documentation. Adjusted to CNI (2003–04=1.00). *Estimates. Adjustments and estimates by Children’s Advocacy Institute.

TABLE 3-C. Food Assistance Programs

The decline of 1.4 million recipients (including one million children) from 1995–96 is good news if parents found employment and lifted their children from poverty. But as discussed above and in Chapter 2, substantial numbers of families are removed from TANF rolls, but remain in poverty and now lack TANF safety net protection—and many of them also now lack Food Stamps. As discussed in Chapter 4, a large number also were removed from Medi-Cal enrollment. Without question, a substantial number of the 1.5 million children losing Food Stamp coverage have suffered nutritional loss—particularly given the state's extraordinary increases in rent, utilities, gasoline, and milk.

Apart from benefit loss due to TANF roll change are paperwork barriers to benefits. Some of these obstacles are addressed by the change to quarterly reports and electronic benefit transfer proposals discussed below. However, the underlying travail imposed upon a parent to obtain nutritional sustenance for a child in need is extraordinary, with national surveys finding an average of two visits and five hours of paperwork necessary to qualify.⁵³

Table 3-C includes "federal benefits" in coupon value. The total and adjusted benefits row reflects overall spending, not per capita benefits received, which are displayed in the bottom four rows. The increase in adjusted benefits from 1989 is the result of caseload fluctuation since benefits remain an entitlement to those who qualify. Benefit level changes are discussed below. The top two rows reflect administrative costs, except they also include the California Food Assistance Program designed to provide state-only benefits to legal immigrants excluded from federal coupons, as discussed below. The 2002–03 figure reflected a federal pick-up of some immigrants subject to state-only Food Stamps in 2001–02. Under the Farm Security and Rural Investment Act of 2002 (Public Law 107-171), federal Food Stamp eligibility was restored for most legal noncitizens in October 2003.

1. Recipients

California Food Stamp recipients have the following statistical profile:⁵⁴

- ◆ Age of head of household: 35.1 years
- ◆ Household heads under 20 years of age: 5%
- ◆ Age of child: 7.6 years
- ◆ U.S. Citizens: 89.9%
- ◆ Ethnicity: White—5.3%; Hispanic—30.5%; Black—25.9%; Asian—7.6%
- ◆ Persons/household: 2.7
- ◆ More than twelve years' of education: 57%
- ◆ With some earned income in 1993: 19.7%
- ◆ With some earned income in 1998: 46.3%
- ◆ Average earnings of those working 1998: \$643/month
- ◆ Average net income from all sources/all households: \$409/month
- ◆ Receiving TANF: 71.2%
- ◆ Average Food Stamp allotment to household: \$189/month

Consistent with the data in Chapter 2 covering the closely related TANF population, the recipient profile is not the pregnant or teen mother or recent immigrant. The families receiving help average less

than two children, about half of receiving parents work at least part-time, and the average amount received per month for food is \$85 per month per person.

Food Stamps are generally considered the nation’s most basic safety net program, because there are no eligibility restrictions other than income, assets, and citizenship. The program includes TANF recipients by operation of law, but is somewhat more expansive. Hence, some parents leaving TANF for employment, or who are disqualified from TANF, may qualify for Food Stamp assistance for their children. Food Stamps are available to any household with a gross income below 130% of the federal poverty line, a net income below the poverty line, and less than \$2,000 in disposable assets (higher for people over 65). In California, SSI/SSP recipients receive Food Stamps benefits in cash in lieu of coupons. Benefits have never been claimable by undocumented immigrants for themselves.

Categorical Food Stamps are well targeted to people below 130% of the federal poverty threshold; over half the benefits go to families with incomes less than half of the poverty level.⁵⁵ Families with children receive over 80% of Food Stamp benefits.⁵⁶ Of the families receiving Food Stamps, 46.6% of the children in these families are under six years of age—during active brain development—and 71% are under eleven years of age. Studies indicate that the Food Stamp Program has historically increased the nutritional intake of impoverished children by 20–40%.⁵⁷

Studies in the middle 1990s estimated that 60% of persons legitimately needing and qualifying for Food Stamps receive them.⁵⁸ As discussed above, the percentage now is substantially below 40%. Many thousands of persons who could qualify for food assistance—most of them children—remain unserved. A Central Valley hunger study indicated that while 98% of the poor know about Food Stamps, about half of those eligible don’t know that they qualify, are embarrassed to seek assistance, or are intimidated by the paperwork required.⁵⁹ Even among the California households still receiving TANF and who obviously need this assistance for their children, 20% do not get it.⁶⁰ As Figure 3-B indicates, total benefits, adjusted for caseload and inflation changes, rose until 1995–96, but have remained flat since. The rise in California’s Food Stamp demand has been driven by increasing poverty, unemployment, and the substantial cuts in TANF benefits since 1989. In that regard, simply counting the number of children living in poverty misses part of the problem: the greater *degree* of poverty for those subject to TANF cuts. The combination of TANF and Food Stamps—the basic safety net for children—has declined from 89% of the poverty line for a family of three in 1989, to 74% in 2001–02, to an estimated 67% to 69% of the line for 2003–04 (see discussion in Chapter 2).

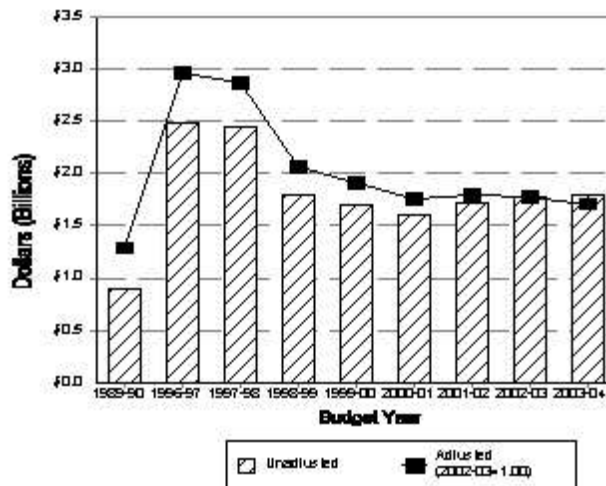


FIGURE 3-B. Food Assistance Spending, 1989–2003

2. Recent Benefit Levels

The basis for Food Stamps benefits, USDA's Thrifty Food Plan, has been judged to be inadequate to meet nutritional needs, and to significantly underestimate the actual costs of purchasing the necessary component foods. Consistent with the Tufts University study cited above, USDA studies indicate that among low-income families whose total spending for food equaled the value of Food Stamps, only 12% obtained the minimum recommended daily allowances (RDAs) of basic nutrients.⁶¹ For those spending between 1.5 and two times that amount for food, 66% obtained the RDAs, as did 92% of those spending three times the Food Stamps levels for food.⁶²

California magnifies the inadequacy because of its higher housing and other costs of living, leaving less money under the national poverty line available for food. Historically, Food Stamps have not covered the nutritional needs of children.

As noted above, Food Stamp benefits are based on income, and increase at least somewhat as TANF benefits decline. However, these increases only amount to \$3 for every \$10 in TANF reduction. As indicated by Table 3-C, adjusted Food Stamp value peaked at \$104 in 1997–98, partly reflecting average increases historically keyed to TANF decreases from 1989. In 1997–98, both TANF and Food Stamps were cut simultaneously for the first time. The PRA cut off groups of children from Food Stamp eligibility and reduced benefits for those still eligible (see discussion below). The small increase (4.9% real spending restoration) in TANF benefits effective in 1998–99 actually reduced Food Stamp benefits (by the same 30% ratio to TANF change noted above). There is no Food Stamp upward adjustment allowed by law where lower TANF benefits are the result of sanctions or the termination of lifetime TANF benefits at the sixty-month mark. Hence, for the increasing number of families suffering this reduction or cut-off, Food Stamp coupons do not increase by 30% but remain at the lower level—as if the cash benefits being denied or cut are still in place. For this population, which will include between 240,000 and 360,000 children before the end of the 2003–04 fiscal year, total safety net assistance will be under 61% of the federal poverty line, and for many (*e.g.*, those families with one child or two parents and up to two children), it will not reach 50% of the poverty line—a record low over the past two generations (40 years).

The average Food Stamp amounts in Table 3-C do not reflect the total changes in benefits year to year because they do not include the cessation of all assistance by the one million children no longer receiving Food Stamp help since 1995–96. Among those still receiving help, the adjusted per capita assistance received has fallen from \$105/month per person to \$82 in the current year, projected to be up slightly to \$86 for proposed 2004–05.

USDA estimates for January 2000 that a nutritionally adequate diet under a “low-cost plan” costs an average of \$139.50 per month for a woman adult from 20 to 50 years of age, and \$159.50 for a man of the same age. The cost of a child varies from \$83.60 per month up to two years of age, increasing to \$159.50 for a child 15 to 19 years of age.⁶³ Using the profile of the average Food Stamp family above as a guide, the benchmark family of a mother and two children aged 7 and 8 would require \$402.50 per month for the low-cost plan.⁶⁴ The average Food Stamp benefits paid amounts to 64% of this minimum. Hence, if rent and utilities consume the cash from TANF assistance and/or earnings, the Food Stamp allotment will not meet nutritional needs, even where all food is prepared at home on a low cost basis. As discussed above and in Chapter 2, TANF reductions since 1989 combined with rent increases, even given important increases in earned income for some, do not provide excess cash beyond shelter and clothes to supplement Food Stamp assistance.

3. Personal Responsibility Act Related Changes

California's child nutrition programs have the largest federal percentage contribution of all child accounts. The U.S. government provides virtually all of the funding for nutrition benefits. This is true even for the WIC program, because the difference between WIC's federal funds and total funds derive from a negotiated manufacturer's rebate on formula, rather than by any additional state funds. The state does provide some supplemental funds to sites participating in federal meals programs and underwrites administration of the programs. Otherwise, the state's primary function for these programs is to facilitate

the delivery of needed food and to finance outreach to make sure those who are eligible have practical access to this safety net protection for their children.

California's dependence on federal funding for nutrition programs makes them particularly susceptible to Washington's budget decisions. The PRA retains the nutrition funding's current structure as an uncapped, individual entitlement, but benefits are now being denied to most legal immigrants and their non-citizen children. The Act also lowers Food Stamp benefits appreciably to all families—as TANF grants are being cut down and cut off.

As discussed above, one result of the PRA has been the premature disenrollment of those leaving TANF from Food Stamp help for their children. Large numbers of the working poor are eligible for some (albeit reduced) nutritional help. For example, a typical parent with two children leaving TANF and working 34 hours a week at \$6.50 per hour remains eligible for \$150 per month or \$1,800 per year in Food Stamp help to assure proper nutrition for her children. However, TANF caseworkers do not consistently inform such parents of available help. Other parents long off of welfare share a similar ignorance.⁶⁵

a. Cut-Offs to Legal Immigrants

As Chapter 2 discusses, Food Stamp cut-offs were initially mandated for most legal immigrants. However, California created a substitute Food Stamps program to reach a portion of those cut off by the PRA.⁶⁶ The California Food Assistance Program (CFAP) was put in place on September 1, 1997, when federal law was set to deny Food Stamps to most lawful immigrants.

Of special concern had been the group arriving post-1996, whose children are barred from most safety net protection. The ban did not include refugees and asylees (making up about 16% of legal immigrants).⁶⁷ Although citizenship makes these refugee families eligible, there is a five-year mandatory waiting period applicable to immigrants during which Food Stamp assistance had been categorically barred for adults and children.⁶⁸

All of this post-1996 group—which includes 170,000–230,000 persons arriving in California annually from other nations by permission—will also suffer categorical ineligibility for TANF. Some will suffer illness, layoff, or misfortune. Assuming the same incidence of claims now extant for current legal immigrants, over 80,000 in need—most of them children—will be denied it from federal sources, a number which will grow substantially as numbers of immigrants arriving after 1996 accumulate.⁶⁹ This group will not qualify for SSI for disabled adults or children. They will also not qualify for TANF. These children, should misfortune strike their families, are categorically abandoned by their new nation and state for the five-year period after arrival—during which they are ineligible to become citizens.

A limited number of children of the newly arrived—those born post arrival—will be eligible as U.S. citizens at birth. However, those infants and toddlers falling in this category will be affected by the categorical denial of Food Stamp assistance to parents and siblings within the same family where misfortune creates a need for help. Food Stamp (and TANF) benefits are based on the number of *eligible* persons in a family.

b. The California Food Assistance Program (CFAP)

The state appropriated \$35.6 million to its California Food Assistance Program (CFAP) for the ten-month period of September 1, 1997 to June 30, 1998. As initially enacted, it covered children and the elderly arriving before August 22, 1996—who at that time were barred from federal Food Stamps by the PRA. The state-only Food Stamps did not reach parents in 1997–98. Hence, a family of two unemployed parents and a child who are in need and otherwise qualified received only \$74 of the \$222 the family would have received. The nutritional health of children is necessarily affected by the cut-off of assistance to their parents, which the state add-on program does not ameliorate. In Los Angeles County, for example, a survey revealed that 91,000 legal immigrants lost Food Stamps. About half of them are parents of children necessarily affected by that loss given the marginal incomes of affected families.⁷⁰ Statewide, 241,000 legal immigrant adults lost Food Stamps (25% of the nation's total), with half of them in Los Angeles County.

In 1998, Congress enacted amendments to provide Food Stamp assistance to the same group covered by the CFAP: children and the elderly who arrived before August 22, 1996 and had been barred by the PRA.⁷¹ Accordingly, California's statute was amended to move its coverage to the pre-1996 adults (ages 18–65) who were not covered by this federal restoration. This expansion of CFAP was important given the consequences to children of the denial of Food Stamps to their income and asset qualified parents. The state serves about 40,000 persons under the program, 36,000 of whom are children.

Effective October 1, 1999, CFAP was expanded to include legal immigrants arriving after August 22, 1996,⁷² who remain barred federally. CFAP's 1999–2000 budget was set at \$73.6 million, reflecting the different population covered. As with the prior year, it remained a state general fund account, which operates as an entitlement (changing in total as determined by the number of eligible recipients).⁷³

In September 2000, the expanded program was scheduled to sunset but was extended indefinitely in 2001 by AB 429 (Aroner). The Governor's budget added \$21.9 million in 2001–02 due to an increase in caseload as the economy turned down—to a total of \$94.4 million. The recent federal budget changes restored federal Food Stamps to many of the post-1996 arriving population in October 2002 and a larger number as of April 2003. The 2003–04 May Revise withdrew the realignment of the CFAP locally and allocated a reduced \$11.2 million to fund it, down from a January figure of \$14.5 million.⁷⁴

In January 2004, the Governor proposed to cap enrollment in CFAP to 10,230, thus reducing the caseload by 273 by June 30, 2005, for a general fund savings of \$100,000 in 2004–05. Additionally, the Governor sought to consolidate immigrant-related programs and fund them in a single block grant. In addition to CFAP, this block grant would include funding for the Cash Assistance Program for Immigrants, CalWORKs for legal immigrants, and Healthy Families for Legal Immigrants. The Governor's plan would include CFAP funding of \$8.9 million in the block grant for 2004–05. Food policy advocates fear that this block grant vehicle could lead to the erosion or elimination of benefits, thus jeopardizing the food and cash assistance currently received by immigrants that enable them to meet their nutritional needs.⁷⁵

2004 May Revise. In his 2004 May Revise, the Governor rescinded his proposal to combine funding for the California Food Assistance Program, Cash Assistance Program for Immigrants, and CalWORKs benefits for recent documented immigrants in a block grant. According to the Administration, "this will allow the full benefits to continue to be provided to this population without altering the administrative structure of these programs."⁷⁶

c. Evidence of Coverage Flight

Reducing welfare rolls is desirable only if the need for assistance, particularly for children, has been assuaged. One of the primary purposes of a public safety net is to provide a sustenance floor for children. That policy fails if those leaving welfare assistance are not climbing above that floor to no longer need it, but are falling through it and forsaking its protections to their developmental detriment. The evidence that many legal immigrant children are suffering this fate is substantial (see Chapter 2). The most recent DSS Food Stamp Characteristic Survey provides additional evidence and detail concerning one major area of child jeopardy from the failure of needed assistance. The percentage of non-citizen households receiving Food Stamps in 1993 was 19.8%; by 1998 that figure had dropped to 12.1%, declining from 127,000 households to 77,000. The children in the households removed from Food Stamp coverage in this category number 94,595. Further analysis of the data reveals that the largest immigrant subpopulation leaving the rolls are the children of refugees, 63,693 of whom left assistance from 1993 to 1998.⁷⁷

d. Reductions to All Families

Historically, the Food Stamp voucher has been viewed as a last resort protection for the impoverished. As noted above, as TANF grants declined in amount, Food Stamp grants increased—not enough to offset the cash reduction, but mitigating by 20–30% the loss of TANF money usually needed for rent. However, under the TANF formula, recipients as of 1998 began with both a lower TANF grant and a reduced Food Stamp benefit rate.

The PRA continued the Food Stamp “entitlement,” but reduces the value, with annual further reductions from inflation.⁷⁸ Congress has cut \$23 billion nationally from Food Stamp benefits over six years—not including the reductions discussed above applicable to legal immigrants. Nearly one-half of the federal balanced budget “savings” anticipated through welfare reform is attributed to these cut-downs.

e. Work Requirements

Traditionally, Food Stamp recipients have been required to “register for work.” The PRA allows states to require recipients with children over the age of one to work in order to receive benefits. It retains funding for Food Stamp employment and training (included in the EDD and GAIN accounts presented in Chapter 2 above). However, as discussed in Chapter 2, the amounts will not fund training for all those required to be employed under federal “work participation” standards—a standard proposed for increase to 70% of all recipients in the now pending administration TANF reauthorization proposal for 2003.

Quite apart from TANF, California is expected to disqualify persons from Food Stamps who refuse to work or voluntarily quit “without cause.” The state currently has the most extensive Food Stamp “workfare” program in the nation, with over 100,000 adults working in order to receive Food Stamp benefits. If expanded, the PRA provision authorizing work requirements for able-bodied adults without children within 90 days would affect children indirectly by adding substantially to the pool of persons competing for a limited number of jobs, and by potentially burdening counties to provide yet more workfare as over 200,000 TANF parents are similarly obligated to find jobs or receive county-arranged public employment (see Chapter 2’s discussion of problems facing children and counties as community service and public employment requirements apply to a large population during 2003–04 and thereafter—particularly if the state is to meet the anticipated 70%/40 hour minimum work week standard in the Bush Administration’s PRA).

The 2002–03 budget included \$46.9 million to support “job search, workfare, education, and training activities” for Food Stamp recipients not enrolled in CalWORKs, an increase of \$1.4 million from 2001–02 levels. However, these levels will be grouped within larger sums under the new coordinated labor agency proposed by the Governor. Of great concern is the combination of this work requirement and its relatively small appropriation given numbers of recipients with the Governor’s cuts to local governments. These cuts occur in the context of limited county revenue authority, his coextensive reduction in existing county CalWORKs incentive payments banked by most counties as a reserve, and the now increasing unemployment rate.

Perhaps most egregious is the current Food Stamp requirement that applicants must work at least 20 hours per week to receive Food Stamps for more than three months every three years. The 20-hour minimum requirement is imposed notwithstanding job availability or work willingness. It does not apply to recipients with dependents, but its application to youth is problematical given their unemployment rate at three times the prime age adult rate (see discussion in Chapter 2).

4. California Food Stamp Error Rate Federal Penalty

In April 2002, the federal Department of Agriculture announced its audit results of California’s Food Stamp program, finding a large error rate in both overpayments and underpayments, with 124,520 households receiving more coupon value than the program provides, and 68,500 families underpaid. The wrong amount was issued by the state in 17.4% of the cases audited. As a result, the Department assessed California a \$115.8 million “liability” for its net over payments, based on an error rate 8.7% above the national average. The Agriculture Department publicly estimated that the state will end up having to pay a penalty of 40% of this amount, or \$46 million.⁷⁹ Former Governor Davis included only \$11.6 million of this sum in the 2002–03 budget, noting that the remainder “will be assessed to those counties” based on their error rates.⁸⁰ It is unclear how this additional penalty—combined with the now underway layoffs of CalWORKs, child support, and Food Stamp workers at the local level—will improve error rates.

5. Monthly to Quarterly Reporting/Electronic Benefits Transfer/Access Enhancement

Trailer bills to the 2002–03 budget change Food Stamps from monthly recipient reporting to quarterly reporting—consistent with existing CalWORKs (TANF) quarterly reporting. The change is supported by advocates for the impoverished and others as efficiency enhancing, and as a measure that may cut the error rate (less resources needed for paperwork filing and more to examine the information submitted). The change is consistent with the policy in 42 other states.

The state has also accelerated its Electronic Benefit Transfer program, increasing from \$18.6 million currently to \$56.8 million for 2002–03 the federally mandated system to allow Food Stamp redemption electronically. A plastic benefits card will replace the paper vouchers currently in use, to be used as a debit card at grocery stores. Child advocates argue that such electronic capacity should be generalized to include all available benefits, with basic family information relevant to qualification updated quarterly, and a swipe of the card informing a parent of all benefits available for her children based on her income, number and age of children, and other factors. The same card could then function as a payment vehicle, as the EBT system in implementing for Food Stamps standing alone.

Another and related access enhancement is marginal in amount, but important in subject matter. In 2001, the U.S. Department of Agriculture announced a grant program of \$5 million (nationally) for grants to non-profits of from \$100,000 to \$350,000 each to facilitate Food Stamp access. Projects may extend for up to 24 months.

6. Vehicle Asset Limitations

Historically, one of the barriers to Food Stamp coverage was the vehicle resource rules applicable to both Food Stamps and CalWORKs. For several years, the value of a motor vehicle owned by a recipient could not exceed \$4,650—a tremendously outdated threshold. In fact, in the 26 years since the Food Stamp vehicle limit was set at \$4,500, it was increased by only \$150, or 3%, while the Consumer Price Index for used cars nearly tripled.⁸¹ For the vehicle limit to have the same value in 2003 that the \$4,500 limit had in 1977, it would have to be set at \$12,192.⁸²

As of January 1, 2004, however, state law does not allow car ownership to be a factor in determining Food Stamp eligibility in California; among other things, AB 231 (Steinberg) (Chapter 743, Statutes of 2003) exempted the value of motor vehicles in figuring eligibility for Food Stamps. Regrettably, Governor Schwarzenegger's proposed 2004–05 budget seeks to repeal that part of AB 231, thus re-instating the \$4,650 vehicle resource limit. While denying assistance to over 34,000 low-income residents, this action would save the state just \$191,000 in 2004–05.⁸³ According to the California Food Policy Advocates, this proposal would cause the state to lose \$68 million in local economic activity and \$835,000 in new state revenue.⁸⁴

7. Statewide Fingerprint Imaging System (SFIS)

Another barrier to the receipt of benefits is an expensive fingerprinting system. California currently requires every adult member of Food Stamp households to get fingerprinted in order to receive benefits. According to the California Hunger Action Coalition, the state spends millions of dollars each year to operate the SFIS, which detects very little fraud but deters eligible people in need of food assistance from receiving Food Stamps.⁸⁵ For example, children of immigrants born in this country are U.S. citizens at birth and are entitled to Food Stamp coverage—regardless of the immigration status of their parents. However, the fingerprinting requirement extends to their parents and impedes their receipt of sustenance assistance. As discussed in Chapter 2, most of these undocumented immigrants are in this nation because of work offered to them that others will not do—including caring for the homes, gardens and children of wealthy Americans, and performing difficult agricultural work—they are not within the state's borders to collect Food Stamps for their children.

In January 2003, the State Auditor released her report on the cost/benefit of the fingerprint program. It indicated that the process was approved without evidence of substantial "duplicate fraud" incidence it

was intended to address. The Report concluded: “Because Social Services did not collect key statewide data during its implementation of SFIS, we are not able to determine whether SFIS generates enough savings to cover the estimated \$31 million the State has paid for SFIS or the estimated \$11.4 million the State will likely pay each year to operate it.”⁸⁶

The Report also concluded: “In deciding whether to continue SFIS, the Legislature should consider the benefits SFIS provides as well as what appears to be valid concerns regarding the system, such as the fear it may provoke in immigrant populations eligible for the Food Stamp program.”⁸⁷ Provisions in AB 231 (Steinberg) that would have repealed this program were removed from the bill prior to its enactment. However, AB 2013 (Steinberg), introduced on February 13, 2004, would abolish the program.

8. In-Person Screening of Food Stamp Applicants

AB 231 (Steinberg) also added section 18901.10 to the Welfare & Institutions Code, to provide that, to the extent permitted by federal law, each county welfare department shall, if appropriate, exempt a household from complying with face-to-face interview requirements for purposes of determining Food Stamp eligibility at initial application and recertification. However, section 18901.10 does not limit a county's ability to require an applicant or recipient to make a personal appearance at a county welfare department office if the applicant or recipient no longer qualifies for an exemption or for other good cause. Some Food Stamp applicants have hardships that make it difficult for them to personally appear at a county Food Stamp office to fill out an application; thus, section 18901.10 allows them to complete the process by mail, phone, or other means.⁸⁸ Governor Schwarzenegger's 2004–05 budget proposal would reinstate the face-to-face application requirement. According to California Food Policy Advocates, this action would result in a savings of \$24,000 in 2003–04, “while turning away many times that amount in federal Food Stamp resources.”⁸⁹

9. Transitional Food Stamp Coverage

The federal Food Stamp Authorization Act of 2002⁹⁰ allowed states to ease the transition of families off of TANF assistance by extending five months of federally-funded Food Stamp benefits without requiring additional paperwork. No state funds were involved, and as Chapter 2 indicates, virtually every family transitioning off of welfare remains at income levels below the 130% of the poverty line cut-off for Food Stamps, and the average earnings upon leaving aid is approximately \$500 per month.

In May 2003, the California Budget Project released its report on the state's prospective use of this coverage, concluding that it would entail a one-time automation cost of \$2.5 million and negligible on-going costs, but receive \$70 million in annual federal funds.⁹¹ Most of this food assistance would be collected for children—who represent 70% of the TANF caseload relevant to this transitional help.

AB 1752 (Chapter 255, Statutes of 2003), added section 18901.6 to the Welfare & Institutions Code to implement the Transitional Food Stamp Program, thus providing that, to the maximum extent allowable by federal law, each county welfare department shall provide transitional Food Stamp benefits to households terminating their participation in the CalWORKs program for a period of five months. AB 231 (Steinberg) (Chapter 743, Statutes of 2003) amended section 18901.6 to remove the five-month limitation on these transitional benefits.

In January 2004, however, Governor Schwarzenegger proposed the elimination of Transitional Food Stamp benefits for 2003–04 savings of \$1.9 million (\$1.4 million general fund) and 2004–05 savings of \$3.9 million (\$2.1 million general fund). Experts predicted that this proposal would result in the loss of \$165.5 million in federal Food Stamp benefits for 66,000 low-income households in 2004–05, as well as the loss of \$305 million in local economic activity and \$3.7 million in new state tax revenue.⁹²

2004 May Revise. In his May Revise, Governor Schwarzenegger rescinded his proposed termination of this program, instead choosing to fund it in order “to promote work participation and allow...families to spend income on other items that generate state tax revenue.”⁹³ Specifically, the May Revise includes an increase of \$1.2 million in 2003–04 and \$3.5 million in 2004–05 for the Transitional Food Stamp

program; these changes are estimated to increase federal Food Stamp program and California Food Assistance Program caseloads by 81,000 and increase the amount of federal food coupons California receives by \$203 million.⁹⁴

10. Federal Food Stamp Reauthorization for 2003

Of greatest import is the Food Stamp Act of 1996 Reauthorization, enacted through the Nutrition Title of the 2002 Farm Bill.⁹⁵ The legislation did not add new restrictions to Food Stamp receipt, and as discussed above, included full federal Food Stamp funding for children of all lawful immigrants after October 1, 2003. Other changes helpful to impoverished children include: (1) indexing of the standard deduction to inflation; (2) a five month transitional benefit for people leaving TANF coverage (an important change given the immediate fall-off from coverage with TANF disenrollment noted above); (3) a marginal increase in resource (savings) limits from \$2,000 to \$3,000 per household where one member is disabled, and the right to exclude "uncommon" income sources where a state also excludes it from income for Medicaid or TANF qualification; and (4) state permission to move to semi-annual reporting for Food Stamp eligibility (as noted above, California has moved from monthly to quarterly).

However, advocates for children and the poor lost most of the changes they sought for the protection of impoverished children, including: (1) an increase in benefit levels to the "low-cost" food plan which more realistically calculates food costs (rather than the "thrifty food plan" of USDA); (2) indexing of benefit levels to inflation; (3) exclusion of one car per household (particularly important for California); (4) mitigation harsh time limits for unemployed workers by allowing at least 6 months of Food Stamps while looking for work and continuing benefits so long as work is sought and not unreasonably refused, particularly for youth under 25 years of age given extraordinary youth unemployment rates; (5) allowance of some exceptions to the lifetime ban on safety net help for persons convicted of drug possession felonies where a clean start has been made (enacted in 28 states) (see below); (6) increase of the minimum benefit by \$25, its indexing to inflation, and adjustment of the shelter allowance cap by the urban area median rent, (7) exclusion of reasonable retirement and educational savings from asset limitations; and (8) substantial federal funds to stimulate and finance state streamlining of for easier access to benefits.

11. Lifetime Ban on Felons with Drug-Related Convictions

AB 1796 (Leno), as introduced January 7, 2004, would restore Food Stamp benefits to families with an adult member who has a drug-related felony. California currently imposes a lifetime ban from Food Stamp eligibility on people with prior drug felony convictions. According to child advocates, this ban hinders a rehabilitated parent's ability to provide for his/her children. Further, the premise of the original rule was to keep substance abusers from misusing public benefits to fuel their addiction. However, the lifetime ban denies aid to many who pose no such risk, especially since the Electronic Benefit Transfer (EBT) system offers very little ability for recipients to convert food assistance into drugs. At this writing, AB 1796 is pending in the Assembly Appropriations Committee.

C. Child Meal Programs

The programs presented in Table 3-D include the National School Lunch Program, School Breakfast Program, Child and Adult Care Food Program, Special Milk Program, Summer Food Service, and Commodities Aid program. More than 26 million children (66% of children aged 6–10) participate in the National School Lunch Program daily; for some 10-year-olds, approximately 50–60% of their total daily intake of energy, protein, cholesterol, carbohydrate, and sodium comes from school meals.⁹⁶

1. School Lunch/Breakfast

Current federal law requires that the National School Lunch Program be available free to every child with income up to 130% of the poverty line, and that it provide children with at least one-third of their daily nutritional requirements. Studies indicate that the noon meal is important to children's health.⁹⁷ In addition, smaller programs provide summer food service to children, school breakfasts, and a child care food

program. Children from families below 130% of the poverty line are subsidized with a free meal; children from families between 130%–185% of the poverty line receive a reduced-price meal; and those above 185% of the poverty line pay full price. According to California Food Policy Advocates, despite a 7% increase in the number of kids getting free or reduced-price meals since 1999, only 24% of eligible low-income children in California were getting nutritional assistance through either the school lunch or summer food program during July 2002.⁹⁸

The programs are administered nationally by USDA, and in California by the state Department of Education’s Child Nutrition and Food Distribution Division and by participating local school districts and nonprofit sponsors. The lunch program started in 1946, after the Army found high levels of nutritional problems in its recruit pool. Beginning in the 1960s, the scope was expanded to include breakfasts, summer lunches, and child care meals.

	Budget Year								Estimated	Proposed	Percent Change	
	1994-95	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03			2003-04	2004-05
General Fund	\$64,700	\$68,952	\$72,212	\$72,699	\$63,011	\$65,769	\$70,963	\$71,632	\$73,308	\$78,195	13.3%	6.7%
Federal Trust Fund	\$878,424	\$987,460	\$1,182,766	\$1,215,106	\$1,290,106	\$1,333,256	\$1,379,256	\$1,413,656	\$1,444,865	\$1,616,804	64.5%	11.9%
Total	\$943,123	\$1,056,412	\$1,254,978	\$1,287,805	\$1,353,117	\$1,399,025	\$1,450,219	\$1,485,288	\$1,518,173	\$1,694,999	61.0%	11.6%
Adjusted Total	\$1,229,879	\$1,271,370	\$1,475,903	\$1,472,365	\$1,509,784	\$1,508,351	\$1,543,470	\$1,531,688	\$1,518,173	\$1,639,856	23.4%	8.0%

Dollar amounts are in \$1,000s. Sources: Governor’s Budgets. Adjusted to age 0–19 population and deflator (2003–04=1.00). Adjustments by Children’s Advocacy Institute.

TABLE 3-D. Child Nutrition

Table 3-D shows the trends in spending for these programs to provide school and child care meals for needy children. The federal meal programs remain as entitlements; all meal providers that have applied and are qualified may be reimbursed for meals provided to eligible children. In addition to the federal funding, which underwrites over 90% of the meal benefits, California also provides a state supplement targeted for meal programs for the neediest children. This state money adds about 11.5 cents per meal for local providers serving free meals to the lowest-income children. The state portion of this account is included in the budget of the Department of Education.

The subsidized school breakfast and lunch programs are an important source of nutrition for millions of American children. In January 2004, 28.9 million children nationally (2.7 million in California) received free or subsidized lunches. Of all children eating lunch at public schools in January 2004, approximately 60% received free or subsidized lunches; of all children eating breakfast at public school, 83% received free or subsidized breakfasts.⁹⁹ Those figures are slightly higher in California, with an estimated 78% of students eating lunch at school receiving such meals free or at reduced prices, and 94% of students eating breakfast at school receiving such meals free or at reduced prices.¹⁰⁰ Participation by school districts and schools within California is substantial, with over 7,944 schools participating in the school breakfast program, and 10,348 schools offering free or lower cost lunches as of 2002.¹⁰¹

For the current 2003–04 school year, California schools participating in the lunch program are reimbursed an average of \$2.20 for each free lunch served; \$1.80 for each reduced price lunch served; and \$0.22 for each paid lunch served. California schools participating in the Basic Breakfast program are reimbursed \$1.20 for each free breakfast provided; \$0.90 for each reduced price breakfast provided; and \$0.22 for each paid breakfast provided. California Schools participating in the Especially Needy Breakfast Program are reimbursed \$1.43 for each free breakfast provided; \$1.13 for each reduced price breakfast provided; and \$0.22 for each paid breakfast provided.¹⁰²

The Governor’s 2004–05 budget proposal keeps existing child nutrition programs start-up funds at \$1 million; state funding for the school meal programs increased by \$4.9 million due to increased caseloads.¹⁰³

While getting one meal on about half the days of the year is important, it is not enough to ensure adequate nutrition. Among TANF children, only an estimated 60% are of school age and able to take advantage of school lunch assistance.¹⁰⁴ The other programs are designed to help fill the gaps left by the school lunch program; while useful, they have been utilized by many fewer sites, and served far fewer daily meals, than the

lunch program. Figure 3-C compares the lunch and breakfast programs in terms of number of total and reduced-price meals served. The number of students receiving school breakfast assistance has increased by more than 82% since 1990, and breakfasts are now offered by 77% of all California schools.¹⁰⁵ However, as of 2002, the state ranks 30th among states nationally in the percentage of school lunch aid recipients receiving breakfast help—down from 27th in 2001.¹⁰⁶ Although a high percentage of school participate in theory in the state, they do not serve a high percentage of qualified students, reaching only 39% as of 2002. One study estimates that \$61 million in available federal funds would be obtained if the state could provide breakfasts to 55% of school lunch aid children—levels achieved by such states as Kentucky, West Virginia, Arkansas, Oregon and Texas.¹⁰⁷

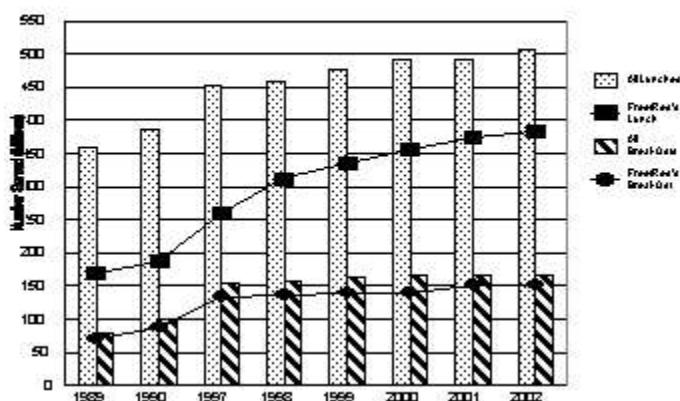


FIGURE 3-C. Total School Meals Served, 1989–2002

In 2002, AB 2395 (Goldberg), the Feeding Hungry Minds in Low Performing Schools Initiative, was originally intended to require low performing schools under former Governor Davis’ testing regime (see Chapter 7) to offer breakfasts where a substantial portion of their students were impoverished.¹⁰⁸ Because of the budget crisis, it was then softened to simply require school boards simply to consider the nutritional needs of students—including breakfast status. It passed in that form, but was nevertheless it was vetoed by the former Governor, whose baffling veto message questioned the connection between nutrition for impoverished children and school performance.¹⁰⁹

The underutilization of the breakfast programs might be addressable through outreach and start-up spending to stimulate school participation. The PRA eliminated all federal outreach and start-up spending for school breakfast accounts. In 1999, an attempt by child advocates to include a modest \$2.9 million for outreach to stimulate breakfast enrollment for children in need was vetoed by former Governor Davis, whose veto message termed the program “too expensive.” The measure would have facilitated sign-ups by the 2,500 schools who still fail to offer these meals, and brought California closer to the national average of schools offering this important meal for impoverished school children. One of the models for such expansion is provided by the Modesto City School District, where participation rates were increased from 22%–39% across the District’s five schools to 90%–97%. The District stopped requiring special buses or early pick-ups and before-school service, to simply serving meals in the classroom at the start of the day. The time expended is minimal, food need not be served that requires extensive clean-up, and nothing precludes children from learning while they eat for the first thirty minutes of the day.¹¹⁰

SB 19 (Escutia, Speier), the Pupil Nutrition, Health and Achievement Act signed by former Governor Davis in October 2001, included an array of measures for child nutrition. It addressed a growing threat to child health—the disturbing trend toward obesity among youth, partly driven by food offerings from the commercial sector and unmitigated by schools meals or adult influence. The law requires local school districts to create nutrition and education committees to develop local policies for child health. The Act’s guidelines are intended to increase the supply of fresh fruit and vegetables, integrate nutrition into the curriculum, and develop business relationships to stimulate healthier food habits. The law also increases the state’s share of school lunch reimbursements by \$0.23 for free or reduced price meals, and \$0.10 for fully paid meals. It also authorizes pilot projects in ten middle and ten high schools which would ban

sodas and high-fat, high-sugar foods during school hours. Participating schools would receive higher meal reimbursement rates. However, while the Governor signed the bill with a flourish, he also cut all of its associated funding (\$5 million) and it was excluded from the 2002–03 and 2003–04 budgets.

SB 677 (Ortiz) (Chapter 415, Statutes of 2003), the California Childhood Obesity Prevention Act, attempts to address some of the causes of childhood obesity. Among other things, the measure restricts the sale of beverages to pupils in middle and junior high schools by allowing only the sale of drinking water, milk (including, but not limited to, chocolate milk, soy milk, rice milk, and other similar dairy or nondairy milk), fruit-based drinks that are composed of no less than 50% fruit juice and that have no added sweeteners, and electrolyte replacement beverages from one-half hour before the start of the schoolday until one-half hour after the end of the schoolday. Regardless of the time of day, beverages, other than water, milk, 100% fruit juices, or fruit-based drinks that are composed of no less than 50% fruit juice and have no added sweeteners, may not be sold to a pupil at an elementary school (however, an elementary school may permit the sale of beverages that do not comply with these requirements as part of a school fundraising event if the items are sold by pupils of the school and the sale of those items takes place off the premises of the school, and the items are sold by pupils of the school and the sale of those items takes place one-half hour or more after the end of the schoolday).

The measure is based on research indicating that in the past two decades obesity has doubled in children and tripled in adolescents; on average, 30% of California's children are overweight, and in some school districts, anywhere from 40–50% of California's pupils are overweight; only 2% of California's adolescents between the ages of 12–17 years, inclusive, have eating habits that meet national dietary recommendations; only 23% of pupils in grades 5, 7, and 9 are physically fit; almost half of the children and adolescents diagnosed with diabetes have the Type 2 form of the disease, which is strongly linked to obesity and lack of exercise; overweight and physical inactivity costs California an estimated \$24.6 billion annually—approximately \$750 per person—a cost that is expected to rise by another 32% percent by the year 2005; poor nutrition and physical inactivity account for more preventable deaths (28%) than anything other than tobacco (more than AIDS, violence, car crashes, alcohol, and drugs combined); and approximately 300,000 deaths in the U.S. each year are currently associated with obesity and overweight.

According to SB 677, each additional daily serving of sugar-sweetened soda increases a child's risk for obesity by 60%. Twenty years ago, boys consumed more than twice as much milk as soft drinks, and girls consumed 50% more milk than soft drinks. By 1996, both boys and girls consumed twice as many soft drinks as milk. Soft drinks comprise the leading source of added sugar in a child's diet. Teenage boys consume twice the recommended amount of sugar each day, almost one-half of which (44%) comes from soft drinks. Teenage girls consume almost three times the recommended amount of sugar, 40% of which comes from soft drinks. A study of 9th and 10th grade girls found that those who drank colas were five times more likely to develop bone fractures, and girls who drank other carbonated beverages were three times more likely to suffer bone fractures than nonconsumers of carbonated beverages. Decreased milk consumption means that children are no longer getting required amounts of calcium in their diets. The average teenage girl now consumes 40% less calcium than she needs, putting her at high risk of osteoporosis in her later years.

AB 2200 (Hancock), as introduced February 18, 2004, would require all schools to serve breakfast. The measure recognizes that hungry children cannot learn as well as properly fed children, and nutritious school breakfasts are linked to enhanced cognitive development, a greater ability to learn, and higher test scores. Twenty-three states have recognized this connection and have passed legislation that requires schools to offer breakfast. At this writing, AB 2200 is pending in the Assembly Education Committee.

In March 2004, the House of Representatives approved its child nutrition reauthorization bill—the Child Nutrition Improvement and Integrity Act (HR 3873). Food policy advocates believe that this bill makes vital improvements in the nutrition programs, such as expanding successful paperwork reduction pilots in the Summer Food Program that have already resulted in more low-income children receiving nutritious meals during the summer months; extending eligibility for snacks and meals to children in homeless and domestic violence shelters up to the age of 18; making it possible for more low-income children from military families to receive free and reduced price school meals; allowing for-profit child care

centers that serve significant numbers of low-income children to participate in the Child and Adult Care Food Program; providing migrant children with automatic eligibility for free school meals; creating new ways to improve the nutrition environment in schools; and making the application process for school meals easier for many low-income families.¹¹¹ According to the Food Research and Action Center, the bill will provide greater access to important child nutrition programs for many low-income children, and translate into more hungry children becoming better nourished and ready to learn.¹¹²

2. Summer Food Service Program

The Summer Food Service Program (SFSP) is considered a nutritional bridge during vacations, when school lunches and breakfasts are not available to many children who depend on them. The SFSP is a federally-funded child nutrition program that allows for reimbursements to schools, community groups, and local government agencies that serve meals to low-income children during the summer months or whenever school is out for more than fifteen days.¹¹³

In addition to the Summer Food Service Program, the National School Lunch Program (discussed above) continues to operate in the summer months in year-round schools and in schools operating summer sessions. In fact, state law requires schools to serve meals during summer school sessions, unless two of the following four conditions are met: (1) the summer school session is less than four hours in duration and is completed by noon; (2) less than 10% of the needy pupils are there for more than three hours; (3) serving meals would result in demonstrable financial loss to the district; or (4) a summer food service program for children serves the school attendance area.

The damage from malnourishment over the three-month summer period can be irreparable.¹¹⁴ However, one study found that only 41% of children who participated in the free and reduced-price meals during the school year were receiving such meals during the summer.¹¹⁵ Even more disturbing, 76% of children eligible for summer meals based on their families' income are not participating in either the SFSP or the school lunch program during the summer months.¹¹⁶ In 2002, 15 of California's 58 counties did not have a single SFSP site; six of those 15 counties did not serve meals through the School Lunch Program, leaving many low-income kids without any summer food option.¹¹⁷

Efforts to increase the availability of summer sites for eligible children include the "Seamless Summer Food Waiver," which allows school districts to operate SFSP under the same guidelines and regulations as the National School Lunch Program, thus reducing paperwork and monitoring requirements. Although the Seamless Waiver has increased the number of available summer sites, the corresponding increase in participation levels have yet to happen.¹¹⁸

3. Child and Adult Care Food Program

In 2003, the Child and Adult Care Food Program served almost 250,000 children daily at over 31,000 sites. The program could reach millions of children under the age of five, but only a small proportion of children under age 13 attend participating day care centers, family day care, or after-school programs.

The PRA does not change the entitlement status of the child care food program, but it restructures benefits into two tiers for family day care homes, with reductions totaling \$340 million over five years.¹¹⁹ The cuts will reduce incentives to offer meals and lead to fewer family day care offerings.¹²⁰ And, in a provision which took effect on August 22, 1996, the new standards eliminate the subsidized option of serving a second meal or snack to children who are in child care centers for more than eight hours—a significant change given the hours of work requirement and the number of children in care for ten to twelve hours. The reductions here are particularly regrettable given the gap in other programs for children from 2 to 5 years old—many of whom can be reached only through this program.

4. Emergency Food Assistance Programs

The Emergency Food Assistance Program (TEFAP) is a federal program that helps supplement the diets of low-income needy persons by providing them with emergency food and nutrition assistance at no

cost. Under TEFAP, the U.S. Department of Agriculture makes commodity foods available to state distributing agencies. States provide the food to local agencies that they have selected, usually food banks, which in turn, distribute the food to soup kitchens and food pantries that directly serve the public. These organizations distribute the commodities for household consumption or use them to prepare and serve meals in a congregate setting. Recipients of food for home use must meet income eligibility criteria set by the states. States also provide the food to other types of local organizations, such as community action agencies, which distribute the foods directly to needy households.

The TEFAP program provides direct food supplies to 2,300 local food banks and soup kitchens in California—a last resort source of nutrition for children. The recent Manpower Demonstration Research Corporation findings for the Los Angeles sample discussed above emphasized the increasing reliance of California parents on this source of nutrition as a last ditch alternative as child hunger grows with nutrition safety net contraction—particularly Food Stamps.¹²¹

Nationally, total TEFAP food costs for fiscal year 2003 was approximately \$396 million; food costs are the value of entitlement and bonus commodities delivered to state warehouses during the fiscal year. California's share of that total was approximately \$50.5 million.

California's Emergency Food Assistance Program provides much-needed emergency food supplies to low- and no-income households and individuals, as well as congregate feeding sites such as soup kitchens. Households at 150% or less of the federal poverty guidelines are eligible. Operated locally by about fifty authorized food banks throughout the state, this program distributes commodities donated through TEFAP and fresh and packaged produce donated by California's food growers, packers and processors. Annually, through its network of 1,500 distribution sites staffed by over 5,000 volunteers, this program distributes over 100 million pounds of food to more than 12 million recipients. Also, over 160 congregate feeding agencies throughout the state use emergency food supplies to prepare and serve more than 350,000 meals each week for California's homeless.

5. Outreach/Start-Up Spending Inadequacy

The major nutrition programs involve use of federal funds. As discussed above, the state's burden is part of administration. Hence, state monies expended for outreach and start up costs returns many times its expenditure, and for an account with substantial long range benefits given nutritional shortfall levels and their implications. As the accounts discussed above indicate, state investment for these purposes remains marginal and will suffer indirectly from the larger local cuts discussed above and in Chapters 2 and 7 (county administration reductions, and education cuts affecting the Department of Education nutrition programs, and county offices of education funding).

6. Undocumented Immigrant Children

Although states must maintain the school lunch and breakfast programs described above for undocumented or unqualified aliens, they have the option to cut those children entirely from summer food, child care food, Temporary Emergency Food Assistance, and WIC. Former Governor Wilson, perhaps due to the federal funding of these programs, did not cut these children from food assistance. Proposition 187 would have compelled removal of the children of undocumented aliens from public school, depriving them of the situs for the nutrition assistance they receive. An estimated 100,000 of this estimated 335,000 student population currently qualify for school lunch and breakfast aid. Although Proposition 187 was enjoined by a federal district court and the case settled on terms favorable to immigrant children by the former Davis Administration, its shadow affects the children of undocumented immigrants, even where those children are U.S. citizens themselves. The "public charge" definition discussed in Chapter 2 makes it clear that non-cash subsidies are categorically not a "public charge" imposition which could bar citizenship or otherwise prejudice the undocumented. However, administrations change, and the undocumented immigrant population is understandably fearful of any visibility or government contact given their unlawful status.

D. WIC

The Special Supplemental Food Program for Women, Infants, and Children (WIC) provides vouchers for nutritious foods, assessment, counseling, and health care referrals for low-income pregnant, breastfeeding, and post-partum women, their infants, and children under the age of five, based on income level below 185% of FPL and their having been assessed as being at nutritional risk.

WIC is widely regarded as one of the most successful federal benefit programs in terms of benefits conferred and costs saved. A USDA study concluded that for every WIC dollar spent on prenatal care, between \$1.92 and \$4.21 is saved in later Medicaid expenses during the first few months after birth.¹²² A U.S. General Accounting Office study concluded that the \$296 million spent by the federal government during 1990 on WIC prenatal assistance will save more than \$1 billion in health-related costs over an eighteen-year period. Savings to states are estimated at 31% of that total.¹²³ The WIC program has been evaluated as successful in preventing poor birth outcomes (such as infant mortality and low birthweight), and facilitating earlier use of prenatal care and healthier pregnancies, births, and infants.¹²⁴

WIC’s California enrollment as of January 2004 stood at 1.3 million.¹²⁵ Approximately 24% of participants are pregnant or postpartum women; 23% are infants; and 53% are young children (1–5 years of age).¹²⁶ The majority of participants are Latino (70%), followed by White (15%); African-American (10%); Asian (1%); and 4% other.¹²⁷

Table 3-E presents the 1989–90 to present year and proposed budget figures for WIC. Note that the account has two components—the federal appropriation to the state, plus a “reimbursement” negotiated by the state with the contractor supplying formula for the program. This reimbursement is then reinvested in the state’s WIC program. About 80% of the WIC budget is spent on nutrition directly, and 20% is devoted to nutrition education, breastfeeding promotion, and administration.

	Budget Year								Estimated 2003-04	Proposed 2004-05	Percent Change	
	1989-90	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03			'89-'03	Proposed
General Fund	\$0	\$0	\$229	(\$51)	\$0	\$0	\$0	\$0	\$0	\$0	0.0%	0.0%
Federal Trust Fund	\$228,411	\$635,059	\$649,649	\$707,950	\$857,358	\$806,757	\$779,323	\$780,000	\$810,000	\$840,000	254.6%	3.7%
Reimbursements	\$0	\$199,951	\$207,222	\$219,521	\$218,536	\$250,001	\$0	\$205,704	\$262,401	\$262,401	na	0.0%
Other	\$0	\$0	\$70	\$100	\$28	\$100	\$100	\$0	\$0	\$0	0.0%	0.0%
Total	\$228,411	\$835,010	\$857,170	\$927,520	\$1,075,922	\$1,056,858	\$779,423	\$985,704	\$1,072,401	\$1,102,401	369.5%	2.8%
Adjusted Total	\$358,343	\$972,835	\$988,983	\$1,056,973	\$1,199,924	\$1,225,013	\$861,984	\$1,050,179	\$1,072,401	\$1,048,777	199.3%	-2.2%

Dollar amounts are in \$1,000s. Sources: Governor’s Budgets. *Estimate of the Children’s Advocacy Institute. Adjusted to 0–4 population and CNI (2003–04=1.00). Adjustments by Children’s Advocacy Institute.

TABLE 3-E. WIC

WIC is a categorical program, funded from an annual federal appropriation. States’ shares are allocated based on a distributional formula, which until recently underfunded California relative to its population and need. California’s eligible children were served at one of the lowest rates of any state. Federal funding of WIC was increased, and the state distribution formula was corrected through regulation. The resulting increase in California’s allocation has expanded WIC’s coverage of children, who had been the lowest priority eligibility group (behind pregnant and lactating women, and infants). The President has pledged “full funding” for WIC for four consecutive years, acknowledging that current levels will not allow about 20% of eligible women, infants and children to receive the intended nutrition. Those excluded from coverage currently are concentrated in the eligible children from 1–4 years of age. Full funding of all who are eligible depends on both appropriation levels, and outreach efforts undertaken.

The Congress has added a Farmer’s Market Nutrition Program to WIC to provide fresh fruits and vegetables from certified farmer’s markets to low-income pregnant women, infants and children participating in WIC. The program includes nutrition education unsurprisingly emphasizing the value of fresh fruits and vegetables. Early surveys in other states suggest that both farmer’s markets and child nutrition benefit from the program.¹²⁸

Table 3-E details WIC spending trends. Funding levels peaked in 2000–01 at an adjusted \$1.23 billion but then dropped until the current year. Although proposed funding for 2004–05 shows an increase of 2.8% over the current year, when adjusted for inflation and population, the proposed amount effects a 2.2% drop over 2003–04 levels. The decline in spending is a reflection of state disinvestment in outreach, promotion, and red tape streamlining. The lowest participation rate continues to be infants and young children—a population of important need because of their age and brain development status, and their exclusion from the school based programs discussed above. The marked retraction in Food Stamp coverage underlines the risk to the one- to four-year-old preschool population. State funding of outreach and streamlining (*e.g.*, the creation and extension of Electronic Benefit Transfer credit cards for all child benefit uses—beyond the Food Stamp use now being implemented) could return substantial nutritional value from federal funds for the most nutritionally at-risk group of California children. That investment is discussed above, but currently lacks commitment, resources, or scale to accomplish stated efficiencies.

Unlike other states which supplement federal WIC funds with state money, California makes no contribution from state funds to its program. However, the PRA gives the state the option of barring WIC assistance to the children of undocumented and legal immigrants, which California has declined to do, as discussed above. Also, the state supplements specified appropriations by negotiating rebates for bulk purchase of formula and food. Federal law requires states to enter into “cost containment” contracts for infant formula purchases, saving over \$1 billion nationally per year.¹²⁹ California, the first state to expand its program to include juice products, may collect \$12 million in annual rebates from this single product.¹³⁰

Related to this issue is the troublesome matter of artificially inflated milk price. California’s prices are among the highest in the nation. Advocates for pregnant women cite the high prices as a major impediment to WIC expansion. Prices are commonly 25% to 75% above comparable prices in other states—notwithstanding the status of California as a major dairy producing jurisdiction. Cited causes for this dichotomy include: (1) horizontal price fixing by large chain supermarkets (where prices are often higher than in usually more expensive neighborhood stores);¹³¹ (2) collusion at the producer level (by the dairy industry) facilitated by marketing order coordination through the California Department of Agriculture; (3) state law which imposes a slightly different formula from USDA standards applicable to every other state and impeding out-of-state (*e.g.*, Arizona) competition;¹³² and (4) a separate below-cost prohibition applicable only to milk and imposing an excessively high minimum floor.¹³³ Legislation has been introduced in 1999 to address the latter two problems, where evidence is particularly compelling; however, the dairy industry successfully defeated it.

As with other nutrition programs, the PRA removes funds and imposes requirements which impede food for hungry children legally qualified for it in a variety of indirect ways. For example, WIC no longer is authorized to serve pregnant women in juvenile detention facilities. The PRA removed required USDA outreach functions, allows services and materials to be provided in English only, and canceled the requirement that WIC inform mothers about Food Stamps and other nutrition programs for their children.

III. SUMMARY AND RECOMMENDATIONS

The adjusted spending for the nutrition child accounts from 1989 to the current year and as proposed is not the critical factor influencing the supply of needed food. As a continuing “entitlement,” spending is not driven by these numbers. The numbers reflect three factors: (1) qualification rules and exclusions; (2) level of benefits afforded; and (3) outreach efforts and inducements to provide. These three factors drive benefit increases or decreases in relation to need. In all three respects, as discussed above, the trend over the last three years has been down. That reduction is substantially in excess of child poverty diminution—indicating growing nutritional shortfall for impoverished children.

A. Consequences

Longstanding research has established a strong connection between nutrition and optimum brain development. One leading source has concluded that even moderate but chronic undernutrition correlates

with lower scores in cognitive function tests, and found “substantial relations between nutrition and mental development.”¹³⁴ Many scholars agree that a valuable source of data about nutrition and child development comes from a longitudinal intervention study begun in 1968 by the Institute of Nutrition of Central America and Panama (INCAP). Children and pregnant women in two villages were provided with a protein-calorie supplement. Two control group villages were provided a supplement with no protein. A wide variety of data was collected, including measures of growth, cognitive development, and home environment to isolate and measure different independent variables. Scholarly review of the INCAP data is unambiguous: Nutritional factors are highly correlated with cognitive competence, especially between ages 3–7. There is a remarkable relationship between nutrition and language test performance.¹³⁵

Research indicates that the harm caused by hunger and undernutrition is complex: It may depend upon the specific nutrient deficiency, the degree of shortfall, the age of the child, other health deficiencies, and the length of time of undernutrition. Some harm is permanent—particularly where malnutrition occurs during the first five years of brain development. Recent research shows that even low levels of malnutrition for various nutrients harm children in a variety of ways; some—but not all—are irreversible. These developmental, growth, health, and educational effects are all preventable—and some can be wholly or partly reversed—if children are properly fed.¹³⁶

The most recent research correlates the broader measure of “hunger insecurity” with poor school performance (absences, tardiness, suspensions and poorer cognitive functioning).¹³⁷ In addition, overall health status is worse, including more headaches, colds, and ear infections than children with food security.¹³⁸ Adolescents living with food insecurity exhibit more depression and other symptoms associated with suicide and mental impairment.¹³⁹

B. California Children's Budget Recommendations

Recommendation #1. The state should allocate substantial state funds for outreach and start-up of summer school, child care, and other nutrition-related programs involving substantial federal funding, including implementation of required school breakfast availability pursuant to pending AB 2200. *Estimated cost: \$50 million*

Such an effort would produce substantially more in federal funds for children than the state expends arranging for school start-ups and engaging in outreach to child care and school administrators, parents, and students. Further, given the TANF and immigrant cut-offs yet to take place, the nutritional programs for children take on special priority and urgency.

Recommendation #2. The state's outreach must include WIC provision to pregnant women and children to age 5; it should include the recruitment of child welfare services, legal aid, religious groups and charitable organizations to mitigate the damage to developing brains from PRA safety net cut-downs and cut-offs. *Estimated cost: \$7 million*

The Food Stamp program is set for reductions in amount and new bases for denial. Most important, it is to be denied categorically to immigrant families with 83,775 children—and their parents—who will statistically need it, as they arrive over at least the next five years. There is a five-year wait to naturalize into citizenship status for lawful, documented immigrants. Food Stamps, which are there to provide minimum sustenance to a child, hardly constitutes an inducement to immigrate for “freeloading” purposes. These are vouchers for food—with 70% spent to feed children. The data confirm that few immigrants claim benefits during the first year after arrival, but some immigrants will—at some point during the first five years—fall upon hard times from illness, accident, or layoff. The children involved should be protected.

Recommendation #3. Families leaving TANF rolls should remain presumptively eligible for Food Stamps for at least one year. Those eligible for Medi-Cal should be automatically enrolled in Food Stamp coverage. *Estimated cost: \$5 million state cost, yielding \$150 million in additional federal funding.*

Local social workers are primarily organized around TANF benefits. The Food Stamp coverage extends beyond TANF eligibility and few CalWORKs parents entering the labor force will have income above qualification within the first year after leaving TANF. Similar presumptive coverage should be provided for Medi-Cal which is having the same benefit drop off as TANF rolls decline—although substantial evidence indicates children still qualify for and need Food Stamp and Medi-Cal coverage. As noted above, the California Budget Project calculates the costs of a related five-month “transitional coverage” for those leaving CalWORKs for employment—recognizing the low-income and continuing qualification of these persons for Food Stamp help. The Project estimates a \$70 million in enhanced federal Food Stamp coupons over a five-month period—with 70% pertaining to children. Our estimate covers the full year of transitional cover proposed. A separate waiver would be necessary for such an extension, but the evidentiary case may be based upon the surveyed income levels of those leaving CalWORKs over their first year. If an overwhelming number remain below 130% of the poverty line—as the data suggests—such an extended waiver would further enhance the nutritional security of involved children. That additional measure of food availability may be quite important where newly-employed CalWORKs parents encounter problems with child care provision, loss of child support help, illness, or lay-offs with an economic downturn—particularly as part of the newly employed (see discussion of demographics in relation to employability in Chapter 2).

Recommendation #4: The Food Stamp Electronic Benefit Transfer system (card) should be expanded into a “child protection benefit card” to include coverage for medical care, special needs, and TANF as well as Food Stamps. Estimated Cost: \$50 million.

The benefits of electronics have been long used by the private sector to accomplish efficient market transactions. A single magnetic strip is keyed to an identity, which together with a confirming code can access a computer-based quarterly updated profile of each recipient family. That profile can include information pertaining to income, assets, number, age and special needs of children. The underlying information would be update quarterly, consistent with 2003 changes to TANF and Food Stamp reporting. A single swipe of the card at a state terminal could array the safety net programs to which a family's children are entitled. The card may then be used to “purchase” as eligible, with a central record preventing duplicative or fraudulent use. Such a system would facilitate access to benefits intended to provide minimal safety net protection for children. Rather than viewing that provision as an affront or assault appropriate for multiple barriers, the state properly embraces it as a high priority mission. While emphasizing the importance of (a) reproductive responsibility, and (b) the need for work and self-sufficiency, the provision of immediate shelter, food, and medical care for children is a coextensive and immediate urgency.

Chapter 3

ENDNOTES

1. Food Security Institute, Center on Hunger and Poverty, *Food Insecurity and Hunger in the U.S., 2002* (Waltham, MA; 2003) (available at <http://www.centeronhunger.org/FSI/fsifacts.html>); Forum on Child and Family Statistics, *America's Children: Key National Indicators of Well-Being, 2002* (Washington, D.C.; 2002) at 3 (available at <http://www.childstats.gov/ac2002/pdf/ac2002.pdf>).
2. Linda Neuhauser, Doris Disbrow, and Sheldon Margen, University of California at Berkeley School of Public Health, *Hunger and Food Insecurity in California*, California Policy Seminar Brief (Berkeley, CA; April 1995) at 2 (hereinafter "*Hunger in California*"); Gail G. Harrison, Charles A. DiSogra, George Manalo-LeClair, Jennifer Aquayo, Wei Yen, *Over 2.2 Million Low-Income California Adults are Food Insecure; 658,000 Suffer Hunger* (Nov. 3, 2002) (hereinafter "*Over 2.2 Million Adults Food-Insecure*"). See also Center on Hunger and Poverty, *The Consequences of Hunger and Food Insecurity for Children*, Heller School for Social Policy and Management, Brandeis University (June 2002).
3. California Food Policy Advocates, *Pediatric Anemia Among Low-Income California Children: Causes, Consequences, Solutions, Executive Summary* (San Francisco, CA; Feb. 1995) at 2.
4. *Id.* at 6.
5. *Id.* at 8.
6. *Id.* at 6.
7. California Food Policy Advocates, *Shifting the Burden: The Impact of 1995 Congressional Proposals on California's Food and Nutrition Security* (San Francisco, CA; June 1995) at 4 (hereinafter "*Shifting the Burden*").
8. The 30% rate is applied to the California children living below the poverty line (2.66 million currently, see Table App.-C—State Poverty, in Appendix A herein).
9. John T. Cook and Katie S. Martin, Tufts University School of Nutrition Science and Policy, Center on Hunger, Poverty and Nutrition Policy, *Differences in Nutrient Adequacy Among Poor and Non-Poor Children* Policy (Medford, MA; Mar. 1995) at 7.
10. *Hunger in California*, *supra* note 2, at 5.
11. *Id.* at 6; see also Center on Budget and Policy Priorities, *Discussion of Selected Food Stamp Provisions in the Personal Responsibility Act* (Washington, D.C.; Apr. 7, 1995) at 1–2 (hereinafter "*CBPP Food Stamps-PRA*").
12. *Hunger in California*, *supra* note 2, at 6. For a discussion of the benefit level for Food Stamps, based on a Thrifty Food Plan established in 1975, see *CBPP Food Stamps-PRA*, *supra* note 11, at 1.
13. See J. Larry Brown, Tufts University School of Nutrition Science and Policy, Center on Hunger, Poverty and Nutrition Policy, *Upcoming Federal Hunger Prevalence Measures* (memorandum to national poverty and hunger leaders) (Medford, MA; July 12, 1996) at 1-3.
14. *Hunger in California*, *supra* note 2, at 31-32.
15. Mark Lino, P. Peter Basiotis, Shirley A. Gerrior, Andrea Carlson, *The Quality of Young Children's Diets*, Family Economics and Nutrition Review, Vol. 14, No. 1 (2002) at 57.
16. See Chapter 2 above and Appendix A below.
17. For a summary of studies, combined with an estimate of the extent of the problem in California, see *Hunger in California*, *supra* note 2, at 3-4.
18. California Rural Legal Assistance Foundation, *Hunger in the Heartland: Community Childhood Hunger Identification Project in California's Central Valley* (San Francisco, CA; Mar. 1991) (hereinafter "*Hunger in the Heartland*").
19. *Id.* at 8.
20. *Id.* at 12.

21. Food Research and Action Center, *Health Consequences of Hunger* (www.frac.org/html/hunger_in_the_us/health.html).
22. California Department of Social Services, *California Work Pays Demonstration Project Survey 1993–94* (Sacramento, CA; 1997) at AFDC Chart 8 (hereinafter *DSS Demonstration Project Survey 1993–94*). The survey found 3.6% receiving free food weekly, 4.4% a few times per month, and 20.9% once a month, for a total of 28.9% seeking help to eat over the immediately prior twelve months.
23. *Hunger in California*, *supra* note 2, at 13. News articles also periodically report the increasing pressures on private charity food providers. See, e.g., “The Hunger Wars,” L.A. TIMES, Nov. 20-23, 1994 and “Food bank faces rise in demand,” OAKLAND TRIBUNE, Apr. 1, 1996.
24. The average rent paid by an TANF–FG family of three was \$328 per month, and for a TANF–U family it was \$418, with the latter representing 20% of TANF households. Department of Social Services, *AFDC Characteristics Survey: October 1996* (Sacramento, CA; October 1996) at 21 (hereinafter *AFDC Characteristics Survey 1996*).
25. California Department of Social Services, *TANF Characteristics Survey 1998, Supplemental Report* (Sacramento, CA; 2000) Table B at 3 (hereinafter “*TANF Characteristics Survey 1998*”). Note that March 1998 is referenced because the report covers an average over the federal fiscal year from 10–97 to 9–98 (see website at www.dss.cahwnet.gov).
26. In 1995, 54.5% of TANF families had a utility bill of from \$140–\$160 each month; these figures assume a conservative 12% increase over five years, matching inflation. See *AFDC Characteristics Survey 1996*, *supra* note 24, at Table 25.
27. *DSS Demonstration Project Survey 1993–94*, *supra* note 22, at AFDC Chart 7.
28. *TANF Characteristics Survey 1998*, *supra* note 25, Table B at 3.
29. California Department of Social Services, *Foodstamp Household Characteristics Survey FY 1998* (Sacramento, CA; 2000) at Tables 21-23 (hereinafter “*Foodstamp Household Survey 1998*”) (www.dss.cahwnet.gov/q51804/publications/pdf/foodstamp.pdf).
30. B. Fuller, S.L. Kagan, S. Loeb, et al., *New Lives for Poor Families? Mothers and Young Children Move Through Welfare Reform; Growing Up In Poverty Project, Wave 2 Findings* California, Connecticut and Florida, Poverty Project (April 2002) California Highlights at 1. See also the nine related papers written by authors and part of the Growing Up in Poverty Project and published in 2000 to 2002, cited at conclusion of Executive Summary. For updated information on child poverty issues, see www.acf.dhhs.gov; www.clasp.org; www.childtrends.org; www.jcpr.org; www.mdrc.org; www.researchforum.org; www.newfederalism.urban.org.
31. The study utilizes the data gathered by the Tufts School of Nutrition Science and Policy as a part of its consulting role in developing the Department of Agriculture study cited *supra*. John Cook, Tufts University School of Nutrition Science and Policy, Center on Hunger, Poverty and Nutrition Policy, *State-Level Breakouts of Projected Impacts of Cuts in the Food Stamp Program Under Welfare Reform* (Medford, MA; August 4, 1997) Table at 3.
32. Physicians for Human Rights, *Physicians’ Food Stamps/Immigrant Study* (1998).
33. California Food Policy Advocates, *Legal Immigrant Households in Two California Counties: The Impact of Food Stamp Cuts* (San Francisco, CA; May 26, 1998).
34. See United States Conference of Mayors, *A Status Report on Hunger and Homelessness in America’s Cities 2002, A 25-City Survey* (December 2002) at i (hereinafter “*Status on Hunger 2002*”) (www.usmayors.org/uscm/hungersurvey/2002/onlineReport/HungerAndHomelessReport2002.pdf).
35. *Id.* at ii.
36. *Id.* at i.
37. Food Research and Action Center, Community Childhood Hunger Identification Project, *Health Consequences of Hunger* (http://www.frac.org/html/hunger_in_the_us/health.html).
38. America’s Second Harvest, *Hunger in America 2001 National Reporter* (Preliminary Report, October 2001), *passim*.
39. Sandra H. Venner, Ashley F. Sullivan, Dorie Seavey, Center on Hunger and Poverty, Tufts University, *Paradox of Our Times: Hunger in a Strong Economy* (Medford, MA; January 2000) at “Highlights of the Paradox” preceding p. 1.

40. Food Security Institute, Center on Hunger and Poverty, *Household Food Security Study Summaries*, Brandeis University (July 2001) summarizing MDRC, *Food Security and Hunger in Poor, Mother-Headed Families in Four U.S. Cities* at 44-45.
41. California Budget Project, *What Do We Know About Former CalWORKs Recipients?*, Welfare Reform Update (Sacramento, CA; July 2001) at 1-6.
42. B. Fuller, S.L. Kagan, S. Loeb, *et al.*, *New Lives for Poor Families? Mothers and Young Children Move Through Welfare Reform; Growing Up In Poverty Project, Wave 2 Findings California, Connecticut and Florida*, Poverty Project (April 2002) California Highlights at 1. See also the nine related papers written by authors and part of the Growing Up in Poverty Project and published in 2000 to 2002, cited at conclusion of Executive Summary. For updated information on child poverty issues, see www.acf.dhhs.gov; www.clasp.org; www.childtrends.org; www.jcpr.org; www.mdrc.org; www.researchforum.org; www.newfederalism.urban.org.
43. See Bread for the World Institute, *What Governments Can Do: Seventh Annual Report on the State of World Hunger* (Silver Spring, MD; October 1996) Table 6 at 115. The 11.8% incidence is applied to California's 1995 under twelve population of approximately 7.35 million; see Appendix A.
44. U.S. Department of Agriculture, *Food Security Measurement Study* (Washington, D.C.; September 15, 1997) at ES 1-6 (available at www.usda.gov/fcs/measure.htm).
45. U.S. Department of Agriculture, *Measuring Food Insecurity in the United States: Prevalence of Food Insecurity and Hunger by State, 1996–1998* (Washington, D.C.; 2000) News Release at 1 (www.usda.gov/events/q414.htm).
46. Ashley Sullivan, Eunyoung Choi, *Hunger and Food Insecurity in the Fifty States: 1998-2000*, Food Security Institute, Center on Hunger and Poverty, Brandeis University (Aug. 15, 2002) at Tables 1, 3; see also www.centeronhunger.org publications; see also www.ers.usda.gov/briefing/FoodSecurity/.
47. Approximately 80% to 85% of Food Stamp cases are TANF families, and children make up 70% of TANF family beneficiaries. In addition, an increasing number of children receive Food Stamps although not in the TANF group (see PRA changes to TANF discussed in Chapter 2). The two-thirds estimate understates the impact of child dependency because over 80% of beneficiaries are in families with children, and nutritional shortfall to a family generally affects its children as well as its adults. See the somewhat higher 70% over all child Food Stamp participation rate in *Hunger in California*, *supra* note 2, at 16–17.
48. See Table App.-C. State Poverty, listing 2.69 million in poverty as welfare reform started in 1996-97 versus the current year estimate of 2.66.
49. David Carroll, *Boom, Bust and Beyond: The State of Working California*, California Budget Project (Sacramento, CA; May 2003) at 6.
50. See Food Stamp participation numbers above in relation to child poverty incidence in Table App.-C: State Poverty. Children have consistently made up about two-thirds of Food Stamp recipients. In 1996, 2.05 million children were among those receiving benefits from 2.75 million children then living below the poverty line.
51. Food and Nutrition Service, *State By State Participant Access Rates*, USDA, January 2003, see www.fns.usda.gov for related publications, see esp. www.frac.org/html/news.fsp/o2sept.html.
52. See www.frac.org/html/publications/stateofstates02.pdf.
53. California Food Policy Advocates, *Uncovering the Causes: Trends in Participation in the Food Stamp Program in California* (San Francisco, CA; August 2000) at 8.
54. *Foodstamp Household Survey 1998*, *supra* note 29, at 4.
55. Center on Budget and Policy Priorities, *Should Federal Food Assistance Programs Be Converted to Block Grants?* (Washington, D.C.; Jan. 27, 1995) at 13 (hereinafter "CBPP Block Grants").
56. *Hunger in the Heartland*, *supra* note 18, at 28.
57. Barbara Howell and Lynette Engelhardt, Bread for the World, *Elect to End Childhood Hunger*, "Childhood Hunger Facts," (Silver Spring, MD; February 1996) at 4 (citing USDA).

58. California Food Policy Advocates, *California Food Stamp Facts* (San Francisco, CA; June 1994) estimates 60%; the Statewide Food Stamp Outreach Task Force estimated participation by about half of those eligible (see *Hunger in California*, *supra* note 2, at 17).
59. *Hunger in the Heartland*, *supra* note 18, at 27–28.
60. Isaac Shapiro and Robert Greenstein, Center on Budget and Policy Priorities, *Holes in the Safety Net: Poverty Programs and Policies in the States* (Washington, D.C.; 1988) at 3.
61. See *Hunger in California*, *supra* note 2, at 6; see also *CBPP Food Stamps—PRA*, *supra* note 11, at 1, which discusses ways that the Thrifty Food Plan underestimates real costs of nutritious foods.
62. *Id.*
63. USDA, Center for Nutrition Policy and Promotion, *Official USDA Food Plans: Cost of Food at Home at Four Levels, U.S. Average, January 2000* (Washington, D.C.) (www.usda.gov/cnpp/foodplans/updates/foodjan00.pdf).
64. *Id.* Note that the low cost if a 6- to 8-year-old is \$121.80 per month, and that the numbers for individuals assume purchasing for a four person family, requiring a 5% add-on for a three person family (see footnote 2 on table). Note also that these is a super “thrifty plan” below the low-cost plan, which would cost \$307.65. But note also that these costs are based on national averages, which California prices often exceed.
65. See Sharon Parrott and Stacy Dean, *Food Stamps Can Help Low Income Working Families Put Food on the Table*, Center on Budget and Policy Priorities (Washington, D.C.; March 31, 1999) at 1.
66. See AB 1576 (Bustamante) (Chapter 287, Statutes of 1997), which—effective August 18, 1997—added section 18930 *et seq.* to the California Welfare & Institutions Code.
67. Note that refugees and asylees have a converse limitation; they are not barred for their first five years after arrival, but are barred after the first five years.
68. Marriage to a citizen can shorten the waiting period to three years. Also, veterans and those serving in the active duty military are exempt from the legal immigrant PRA bar to public assistance. Children who are born in the United States may be eligible for Food Stamp and TANF assistance because they are U.S. citizens at birth. However, Chapter 2 discusses the substantial withdrawal of the legal immigrant community from TANF (and Food Stamp) assistance because of fears that accepting such help, even where needed for their children, will cause them to be designated a likely “public charge” and preclude their citizenship in their new country. According to the federal Immigration and Naturalization Service, the definition of public charge focuses on cash assistance (*e.g.*, TANF) and is supposed to measure future dependency on public funds, not prior use based on need not likely to recur.
69. The initial 13,000 estimate of legal immigrants cut-off from Food Stamps should the state terminate its CFAP program in September 2000. George Manalo-LeClair, California Food Policy Advocates, *Anti-Hunger Alert* (March 17, 2000) at 1. However, the \$92 million estimated for the state fill-in program (California Food Assistance Program) translates to 92,369 recipients at the average annual per person benefit level of \$996, see Table 3-C.
70. U.S. General Accounting Office, *Welfare Reform: State and Local Responses to Restricting Food Stamp Benefits* (GAO/RCED-98-41) (Washington, D.C.; December 1997) at 10.
71. See Agriculture Research, Extension and Education Reform Act (PL No. 105-185). Note that the law also extends the number of years refugees and asylees can receive Food Stamps after arrival from five years to seven.
72. Chapter 147, Statutes of 1999.
73. The budget designated \$53 million of the expenditure as meeting the maintenance of effort (MOE) requirement for federal TANF block grants (see discussion in Chapter 2).
74. Office of the Governor, *May Revise 2003–04* (Sacramento, CA; May 2003) at 72.
75. California Food Policy Advocates, *Analysis of Nutrition Assistance Proposals in the Governor’s Budget* (Sacramento, CA; 2004) at 2.
76. Office of the Governor, *May Revise 2004–05* (Sacramento, CA; May 2004) at 57.

77. For data, see *Food Stamp Household Survey 1998*, *supra* note 29, at Tables 3, 11, and accompanying 1993 comparison text. This reduction is not attributable directly to PRA changes. Although refugees are required to wait five years to qualify, most have been here well beyond the five year period, the vast majority of persons who apply for public assistance are not recent arrivals (see Chapter 2 TANF profile data above) and immigrants who are recently arrived (after 1996) are generally barred in any event. Note that numbers of children are derived from the household numbers of the two tables by multiplying households by the 2.7 persons per household, and taking 70% of such persons as the proportion of children receiving these benefits.
78. See Pub. L. No. 104-193 at Title VIII, §§ 806-874. The Congress imposed an immediate across the board cut in value from 103% of the USDA Thrifty Food Plan to 100%, froze deductions and allowances, and restricted the definition of a qualified "household." The reductions were not confined to child beneficiaries; childless unemployed adults aged 18–50 are limited to three months of stamps out of three years unless working twenty hours per week. Some are eligible for exemption or waiver, but much of the population unable to obtain jobs will be cut off within ninety days. The freezing of standard deductions will act to reduce benefit values year to year.
79. See estimate of Undersecretary Eric Bost quoted in J. Peterson and E. Larrubia, *Food Stamp Errors May Cost State*, S.F. CHRON., April 22, 2002, at A-4.
80. Office of the Governor, *May Revise 2002–03* (Sacramento, CA; 2002) at 52.
81. California Budget Project, *Updating California's Food Stamp Vehicle Policy* (Sacramento, CA; September 2003) at 1.
82. *Id.*
83. California Food Policy Advocates, *Analysis of Nutrition Assistance Proposals in the Governor's Budget* (Sacramento, CA; 2004) at 1.
84. *Id.*
85. California Hunger Action Network, *2004 State Legislative Agenda* (Sacramento, CA; 2004) at 1.
86. California State Auditor, *Statewide Fingerprint Imaging System: The State Must Weigh Factors Other Than Need and Cost-Effectiveness When Determining Future Funding for the System*, Bureau of State Audits, Report Number 2001-015, January 3, 2003, at 1, see <http://www.bsa.ca.gov/bsa/summaries/2001-015.html>.
87. *Id.*
88. California Food Policy Advocates, *Analysis of Nutrition Assistance Proposals in the Governor's Budget* (Sacramento, CA; 2004) at 2.
89. *Id.*
90. H.R. 2646 (2002).
91. California Budget Project, *Transitional Food Stamps Would Help Former Welfare Recipients at Low State Cost* (Sacramento, CA; May 2003) at 1-2; see www.cbp.org.
92. Frank Mecca, California Welfare Directors Association, *State Budget Update #1—Corrected Version—Overview* (Sacramento, CA; Jan. 9, 2004) at 1; see also *Analysis of Nutrition Assistance Proposals in the Governor's Budget*, *supra* note 75, at 1.
93. Office of the Governor, *May Revision 2004–05* (Sacramento, CA; May 2004) at 39.
94. *Id.* at 57.
95. For a full listing of the Food Stamp related provisions of the Act, see [www.cfpa.net/foodstamps/ Rauth/Reauthcharts.pdf](http://www.cfpa.net/foodstamps/Rauth/Reauthcharts.pdf).
96. Journal of the American Dietetic Association, *Position of the American Dietetic Association; Dietary Guidance for Healthy Children Aged 2 to 11 Years* (January 1999).
97. See Laurie True, *Hunger in the Balance: The Impact of the Proposed AFDC Cuts on Childhood Hunger in California* (San Francisco, CA; Mar. 1992) at 14 (hereinafter "*Hunger in the Balance*").

98. California Food Policy Advocates, *School's Out...Who Ate?* (Sacramento, CA; June 2003).
99. U.S. Department of Agriculture, Food and Nutrition Services, *Summary of Major Food and Nutrition Service Programs* (Washington, D.C.; April 25, 2002).
100. California Department of Education, Nutrition Services Division, *California Facts* (Sacramento, CA; 2001)
101. Food Research and Action Center, *A Profile of Food and Nutrition Programs Across the Nation* (Washington, D.C.; 2003) (see www.frac.org).
102. California Department of Education, Nutrition Services Division, *School Nutrition Programs Reimbursement Rates, July 1, 2003 through June 30, 2004* (Sacramento, CA; August 2003) at 1.
103. California Food Policy Advocates, *Analysis of Nutrition Assistance Proposals in the Governor's Budget* (Sacramento, CA; 2004) at 3.
104. See *Hunger in the Balance*, *supra* note 97, at 3.
105. Note that as of 2002, 7,944 schools participated in a school breakfast program, or 76.8% of the 10,348 schools in lunch program.
106. See www.FRAC.org.
107. *Id.*
108. The bill triggers required consideration only where a school: (1) hasn't met its Academic Performance Index (API) growth target, (2) has an API rating at or below 700, (3) has 20% or more low income students and (4) doesn't offer breakfast through the federal school breakfast program.
109. See Office of the Governor, *Veto Message, AB 2395* (Sacramento, CA; September 26, 2002), available at http://www.leginfo.ca.gov/pub/01-02/bill/asm/ab_2351-2400/ab_2395_vt_20020926.html.
110. See www.FRAC.org.
111. Food Research and Action Center, *House Passes Child Nutrition Program Bill with Strong Bipartisan Support*, (Washington, D.C.; March 2004) at 1.
112. *Id.*
113. California Food Policy Advocates, *School's Out...Who Ate?* (Sacramento, CA; June 2003).
114. *Hunger in the Balance*, *supra* note 97, at 15.
115. California Food Policy Advocates, *School's Out...Who Ate?* (Sacramento, CA; June 2003).
116. *Id.*
117. *Id.*
118. *Id.*
119. In 1996, federal funding to California for Child and Adult Care Food Program (CACFP) totaled \$182 million. See http://www.frac.org/html/federal_food_programs/states/ca.html.
120. Current rates continue for family day care homes located in areas where at least 50% of the children are in households below 185% of the poverty level, or are operated by a provider who earns less than 185% of the poverty level. All others will receive lower reimbursements—which experts believe will be non-compensatory and lead to reductions in meals to hungry children. Note that this program serves only impoverished children; it is unclear why some should not receive subsidized food because a family day care provider has more than, e.g., \$18,000 per year in income, or based on the poverty rate of children in the immediate neighborhood.

121. Food Security Institute, Center on Hunger and Poverty, *Household Food Security Study Summaries*, Brandeis University (July 2001), summarizing MDRC, *Food Security and Hunger in Poor, Mother-Headed Families in Four U.S. Cities*, at 44-45.
122. See Center on Budget and Policy Priorities and Center for the Study of the States, *The States and the Poor: How Budget Decisions Affected Low-Income People in 1992* (Washington, D.C.; 1993) at 67; see also *CBPP Block Grants*, *supra* note 55, at 17.
123. *Id.*
124. See *Hunger in California*, *supra* note 2, at 18; see also *CBPP Block Grants*, *supra* note 55, at 16; for a discussion (and critique) of positive WIC research findings, see Douglas Besharov and Peter Germanis, *Is WIC as Good as They Say?* The Public Interest, January 1, 1999. The authors argue that more extensive and properly blind tested measurement of WIC is warranted. One such study was reported in March of 2001, see Lori Kowaleski-Jones and Greg Duncan, *The Effects of WIC on Children's Health and Development*, reported in Joint Center for Poverty Research, *Poverty Research News*, Vol. 5, No. 2 (March-April 2001) at 6-7 (www.jcpr.org). The Kowaleski-Jones/Duncan study used a national sample of children and siblings born to relatively older mothers, allowing control group comparison with siblings within the same families. The study did not find remarkable differences in motor or social skills (both difficult to measure, and here relying on maternal self-reporting), it found substantial differences in infant birth weight and negative temperament. The birth weight finding is important given its association with a number of health factors, including life-long disabilities (e.g., cerebral palsy, autism, retardation).
125. See Table 3-B above for latest 2002 numbers; see also U.S. Department of Agriculture, Food and Nutrition Services, *WIC Program: Total Participation* (Washington, D.C.; March 2004).
126. California WIC Association, *WIC Facts & Figures* (Sacramento, CA) (available online at www.calwic.org/facts.htm).
127. *Id.*
128. See discussion in California Food Policy Advocates, *Action Alert* (March 9, 2001) (www.cfpa.org).
129. See Center on Budget and Policy Priorities, *WIC Program Faces Caseload Reductions in Coming Months Unless Supplemental Funding is Provided* (Washington, D.C.; May 3, 1997) at 5.
130. Robert A. Robinson, U.S. General Accounting Office, *Food Assistance: Information on Selected Aspects of WIC* (Washington, D.C.; March 17, 1998) at 6 (testimony before the House of Representatives' Subcommittee on Early Childhood, Youth and Families, Committee on Education and the Workforce).
131. This has been the contention of Consumers Union of the United States, which released a survey of milk prices indicating higher prices at major chains than in normally high cost local stores, notwithstanding economy of scale purchasing power which should yield lower prices. See Consumers Union of the United States, *Milk Survey of Selected California Retailers* (West Coast Office; 1998).
132. Note that Shamrock Dairies of Arizona has challenged the California disparate standards as violative of federal antitrust law and as an unconstitutional impediment to interstate commerce. Both challenges failed due to the purported "public health" enhancement from the California standards. However, note that neutral experts, including the respected national Center for Science in the Public Interest, contend that the additional solids required by California are insignificant as a nutritional advantage and provide somewhat more protein rather than enhanced calcium—protein of a type with little to no public health benefit. The Center contends that even marginally lower prices from enhanced competition would be a substantial benefit. The Center for Public Interest Law (CPIL) adds that the source of California's unique requirement is not public health concern, but that it emanates from the economic focus of the Department of Agriculture and the trade association. Moreover, CPIL argues that while California is free to require a certain formula to use a specified label (e.g., only milk meeting a specific formula be termed "protein fortified" and giving consumers choice between alternatives, the California law declares that sale of milk not conforming to its formula—even if meeting USDA standards and sold in the other 49 states, is a criminal offense. CPIL contends that the "contraband/criminal" approach indicates a cartel exclusion rather than a public health enhancement scheme, and that enhancing supply from clearly labeled USDA milk will enhance competition and reduce prices.
133. California's Unfair Practices Act (Bus. & Profs. Code § 17000 *et seq.*) prohibits below cost pricing standards which are applicable to businesses generally. The statute has standards and exceptions deriving from 50 years of case law interpreting the state law, and federal counterpart provisions (the federal Clayton and Robinson Patman Acts). Hence, below cost pricing is prohibited where there is an intent to lessen competition. And there are exceptions (e.g., sale where a business is closing out, or where spoilage is the alternative). However, the milk industry has won enactment of a unique price floor which is set at a "fully distributed cost level" (must include full allocation for fixed costs), is imposed whether competitive harm is at issue or not, and avoids the exceptions and case law refinements applicable

- to the generic Unfair Practices Act body of law.
134. A.B. Wilson, *Longitudinal Analysis of Diet, Physical Growth, Verbal Development and School Performance*, in Balderston, *et al.* (eds.) *MALNOURISHED CHILDREN OF THE RURAL POOR* (Auburn House, Boston) at 40.
 135. See, e.g., H.E. Freeman, R.E. Klein, J.W. Townsend, and A. Lechtig, *Nutritional and Cognitive Development Among Rural Guatemalan Children*, *AM. J. PUB. HEALTH* (1980) at 1277–85.
 136. Information about the effects of nutrition deficits on children's development are summarized in Tufts University School of Nutrition Science and Policy, Center on Hunger, Poverty and Nutrition Policy, *The Link Between Nutrition and Cognitive Development in Children* (Medford, MA; 1995). See also J. Larry Brown and Ernesto Pollitt, *Malnutrition, Poverty and Intellectual Development*, *SCIENTIFIC AMERICAN* (February 1996) at 38-43.
 137. K. Alaimo, EA Frongillo, Jr. *Food Insufficiency and American School-aged Children's Cognitive, Academic and Psychosocial Development*, *PEDIATRICS* 108: 44-53, 2001; see also R.E. Kleinman, J.M. Murphy, M. Little, M. Pagano, C. Wehler, K. Regal, M. Jellinek, *Hunger in Children in the U.S.: Potential Behavioral and Emotional Correlates*, *PEDIATRICS* 101: 1-6m 1998; see also J. Murphy, C. Wehler, M. Jellinek, *Relationship Between Hunger and Psychosocial Functioning in Low-income American Children*, *J. AMERICAN ACADEMY OF CHILD & ADOLESCENT PSYCHIATRY* 37: 163-170, 1998.
 138. K. Alaimo, C. Olson, E. Frongillo Jr., R. Briefel, *Food Insufficiency, Family Income, and Health in U.S. Preschool and School-aged Children*, *AM. J. PUBLIC HEALTH* 91:781-786, 2001; see also P. Casey, K. Szeto, S. Lensing, M. Bogle, J. Weber, *Children in Food-insufficient, Low-income Families: Prevalence, Health, and Nutritional Status*. *ARCHIVES OF PEDIATRICS AND ADOLESCENT MEDICINE* 155: 508-514, 2001.
 139. K. Alaimo, C. Olson, E. Frongillo Jr., *Family Food Insufficiency, But Not Low Family Income, Positively Associated with Dysthymia and Suicide Symptoms in Adolescents*, *J. NUTRITION* 132: 719-725, 2002.

