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United States Senate

COMMITTEE ON THE BUDGET

WASHINGTON, DC 20510-6100

MARY ANN NAYLOR, MAJORITY STAFF DIRECTOR
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www.budget.senate.gov

November 4, 2011

The Honorable Jeb Hensarling
Joint Select Committee on Deficit Reduction
129 Cannon House Office Building
Washington, DC 20515

The Honorable Patty Murray
Joint Select Committee on Deficit Reduction
448 Russell Senate Office Building
Washington, DC 20510

Dear Chairman Hensarling and Chairwoman Murray:

Your committee has been tasked to find at least \$1.5 trillion in savings, over ten years, from our federal budget. This reduction represents about a 3.3 percent reduction from the nearly \$45 trillion we are projected to spend during that same time frame.

One area I understand that you are considering for reductions is the Agriculture budget. While several aspects of this budget have already declined, spending on the Supplemental Nutrition Assistance Program (SNAP, formerly known as Food Stamps) has quadrupled in the past ten years. In 2001, taxpayers spent \$20.11 billion on this program; in Fiscal Year 2012, taxpayers can expect to spend \$88.61 billion – an increase of 340% percent. The size of the individual benefit has also increased 31% over three years. Funding has increased far faster than the number of qualifying individuals and food costs.

Importantly, while the struggling economy has certainly contributed to the increased number of people on food stamps, much of the increase occurred prior to the recession. It is now America's fourth largest entitlement program. Any program that has increased so quickly, and by such an extent, clearly requires examination.

Reports are widespread of benefits being abused, illegally sold, or misallocated by authorities. States lack incentive to perform effective oversight: they are in competition with other states for their slice of the food stamp budget. The Department of Agriculture was unable to provide my staff with specific information about how many of the recipients had assets above the legal limit.

There is no question that even modest reform to SNAP can save many billions of dollars over the coming years. Like welfare reform in the 1990's, smart reforms to the food stamp program will improve outcomes and help more Americans achieve financial independence. Unmonitored welfare programs, over time, can hurt the very people we are seeking to help. A thoughtful reform of funding will not only improve the outlook for our indebted Treasury, but for millions of Americans seeking a better future.

As you struggle to find savings, I hope you will consider this poorly managed program. The elimination of the categorical eligibility practice, which would not change basic eligibility requirements, has been scored by the Congressional Budget Office to save \$10 billion over ten years. A return to even the surged 2010 levels would save almost \$200 billion. If you would like more information or have any questions, my staff on the Senate Budget Committee is standing by to assist.

Very truly yours,



Jeff Sessions
Ranking Member
Senate Committee on the Budget