



Executive Summary

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March 16, 2001

Restoring Food Stamp Benefits to Immigrants and Refugees in Oregon

by Michael Leachman

Since the passage of federal welfare reform, many legal immigrants and refugees in Oregon are now ineligible for food stamps. Several states have chosen to exercise options available to increase food stamps for these families. Oregon has not.

This paper discusses two options available to Oregon.

- First, the State can change its administrative rules to increase the federal food stamp benefits received by those eligible immigrants in families that also include immigrants who are not eligible. The change would have no fiscal impact on the state.
- Second, Oregon can fully restore benefits to immigrant and refugee families by using state funds to cover the costs of the restoration, just as nine states have already done. The paper recommends that Oregon first make the administrative rule change and then allocate \$5.3 million for the 2001-03 biennium to restore fully benefits to immigrants.

Senate Bill 797 has been introduced to accomplish the administrative rule change, although the Department of Human Services has the authority and capability to make the change without legislative action. The bill should be amended to fully restore food stamp benefits to immigrants and refugees in Oregon.



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As taxpayers, workers, and volunteers, Oregon's legal immigrants and refugees contribute to the State's social and economic health. Yet, since the passage of federal welfare reform, many of these Oregonians are now ineligible for food stamps. Immigrants and refugees often work in low-paying or unstable seasonal jobs. During difficult times, such as after a layoff, food stamps can provide important help for such families.

Some states, recognizing their long-term interest in supporting immigrant and refugee families through tough times, have chosen to exercise options available to increase food stamps for these families. Oregon has not.

This paper discusses two options available to Oregon. First, the State can change its administrative rules to increase the federal food stamp benefits received by those eligible immigrants in families that also include immigrants who are not eligible. Many children in immigrant families are eligible for food stamp benefits while their parents are not. Increasing benefits for immigrant children helps the whole family. The costs would be borne solely by the federal government. The change would have no fiscal impact on the State. While the Oregon Department of Human Services (DHS) has the authority to make this change on its own, Senate Bill 797 has been introduced to require the change.

Second, Oregon can fully restore benefits to immigrant and refugee families by using State funds to cover the costs of the restoration. The costs of the State-funded program would be significantly reduced if Oregon changed its administrative rules to maximize the amount of federally funded food stamps that many of the households can obtain. This paper assumes that the State would change its administrative rules to take advantage of the cost reduction. The paper recommends that Oregon first make the administrative rule change

and then allocate \$5.3 million for the 2001-03 biennium in order to restore fully benefits to immigrants. Senate Bill 797, introduced to require DHS to change its administrative rules to allow immigrant families in Oregon to receive more federal food stamps, should be amended to call for a full restoration of benefits to immigrants.

Background.

In 1996, most low-income legal immigrants and many refugees lost their eligibility for food stamps as part of federal welfare reform.¹ The following year, in response to pressure from states such as Washington and California, Congress enacted a new law allowing states to use State money to restore food stamp benefits to immigrants and refugees denied benefits by the welfare reform law.² In 1998, Congress restored eligibility to elderly, disabled, and child immigrants who were living in the United States when the original welfare reform law passed.³ This partial restoration substantially reduced the cost of State-funded programs designed to restore food stamp eligibility to immigrants and refugees denied benefits in 1996.

Most non-elderly adult immigrants without disabilities remain ineligible for food stamps regardless of when they arrived in this country. Elderly, disabled, and child immigrants who arrived in the country after the welfare reform law passed on August 22, 1996, are also still ineligible. Refugees are typically ineligible if they have been in the country for more than seven years. There are some exceptions; for example, immigrants and refugees who can be credited with 40 quarters of work under the Social Security system are eligible for food stamp benefits.

In an effort to increase the benefits allowed to immigrant families, the US Department of Agriculture (USDA) allows states to exempt income earned by ineligible household members when calculating the benefits of eligible household members.⁴ In this way, benefits for many immigrant children can be increased as a way of counteracting the benefits lost because their parents are ineligible for food stamps. Four states – California, Massachusetts, Michigan, and South Dakota – have written administrative rules taking advantage of this state option.

Sixteen states are using State funds to restore, at least partially, food stamp benefits to those immigrants and refugees ineligible for the federal program.⁵ Nine states, including Washington and California, provide coverage designed to

reach all of those immigrants and refugees who lost eligibility due to welfare reform.⁶

The USDA issued detailed guidelines describing the procedures necessary for states to implement a State-funded food stamp benefit program.⁷ For the program to be approved, each state must provide USDA with a plan demonstrating that the State will cover the full costs of the program. States are free to establish their own eligibility criteria for their State immigrant and refugee food stamp programs, but most states choose to employ the regular federal food stamp benefit eligibility standards for efficiency, equity, and ease of operation.

Maximizing Federal Share by Changing Rules.

Some immigrant or refugee families have some members who qualify for food stamps while others do not. Currently, Oregon does not maximize the amount of federally funded food stamps these “mixed” households are allowed to receive under federal law and guidance. Oregon’s administrative rules state that, when calculating how much benefit a “mixed” family will receive, officials may exclude only a portion of the income of family members who are ineligible for the program.⁸ If Oregon did not include *any* of the income earned by ineligible members when determining benefit levels, as USDA allows, the benefits received by immigrant families would increase.

Table 1. Monthly food stamp benefit for hypothetical immigrant household*		
	Under Current Policy	Under USDA guidance
Total monthly benefits family would receive with no State-funded program in place	\$187	\$238
Total monthly benefits family would receive if Oregon established a State-funded program fully restoring benefits to immigrant families	\$271	\$271
• Benefits that the federal government would pay	\$187	\$238
• Benefits that Oregon would pay	\$84	\$33
<small>* Hypothetical immigrant household contains two ineligible adults – one of whom is working full-time at minimum wage and the other of whom is working ½ time at minimum wage- and two eligible children. Assumes no deductions for child support or dependent care costs. Assumes deductible child care costs of \$375/month, and rent of \$500/month.⁹</small>		

Table 1 compares the monthly benefits a hypothetical immigrant family receives under current Oregon policy with what the family would receive if Oregon fully exempted the ineligible parents’ earned income. The example

assumes an immigrant family with two adults and two children. One of the adults in the family is working full-time at minimum wage, the other is working one-half time at minimum wage.

Under current policy, the hypothetical family would receive \$187 monthly in food stamp benefits. If Oregon took full advantage of federal law and USDA's guidance, the hypothetical immigrant family in this example would receive \$238 in food stamp benefits (an additional \$51 per month), partially counteracting the benefit reduction imposed on the family by welfare reform.

Hence, Oregon could provide more food stamp benefits to immigrant and refugee families simply by changing the State's administrative rules, and without creating a new State-funded program. This increase would have no fiscal impact on the State.

Table 1 also shows that if Oregon were to restore completely food stamp benefits to immigrant and refugee families, the hypothetical family would receive \$271 in food stamps. The family would receive \$84 more per month than they are receiving under current Oregon policy and \$33 more than they would receive if Oregon excluded the income earned by working, ineligible household members from its benefit calculations.

If Oregon chooses to restore benefits lost under federal welfare reform, the State should make the administrative rule change to maximize the federal contribution to meeting the households' food stamp needs. The costs to Oregon of a full benefit restoration would decrease, as shown in Table 1. While it is not possible to determine precisely how much the State would save by making this change, data from a program that fully restored benefits to immigrants in Washington state suggest that the savings would be substantial. In Washington, 81 percent of all households receiving benefits through the State-funded program in June 2000 were also receiving federal benefits. As such, changing State administrative rules to allow immigrant families to receive more federal benefits would dramatically reduce the share paid by the State. While DHS has ample authority to make this change on its own, Senate Bill 797 has been introduced to require the change.

Cost estimates.

It is not possible to determine precisely how much the State would save on the cost of a State-funded program by changing the State's administrative rules in the manner described above. However, it is possible to estimate the costs of a State-funded program prior to any administrative rule change.

As mentioned above, Washington state currently operates a similar program, making cost estimates easier to determine for an Oregon program. Washington was one of the first states to implement a State-run program for immigrants and refugees denied benefits under federal welfare reform. From July 1999 to June 2000, the cost of providing benefits to immigrants and refugees through the program in Washington was \$5,025,680.¹⁰ The cost of an Oregon program can be estimated by considering Washington's cost as a starting point and using various data sources to determine the relevant population differences between Oregon and Washington.

Such an analysis will need to adjust for the fact that Washington's program was seamless; when federal welfare reform passed, Washington transferred immigrants ineligible for federal food stamps to the State program without an interruption in their benefits. Oregon will need to do outreach to immigrants and refugees who have been ineligible for as many as four years, and let them know that their eligibility has been restored. A program in Oregon is therefore likely to have a lower "take-up rate" than Washington's seamless program.

The "take-up rate" should not be confused with the "participation rate," which refers to the percentage of eligible persons who actually receive food stamps. The most recent reliable study found a participation rate in Oregon of 63 percent and a rate in Washington of 64 percent in 1998.¹¹ The affect of a "take up rate" in Oregon would further reduce the percentage of eligible persons likely to participate in the program. If, for instance, the "take-up rate" is 80 percent, then the percentage of eligible immigrants actually receiving food stamps would be around 50 percent (80 percent of 63).

Oregon's immigrant and refugee population is smaller than Washington's, but estimates of the difference vary. This analysis considers three data sources:

- (1) data from the Immigration and Naturalization Service (INS) estimating the number of "legal permanent residents" by state;
- (2) Food Stamp quality control data on the number of legal permanent residents; and,
- (3) the U.S. Bureau of the Census Current Population Survey data.

The INS data show that, as of April 1996, Washington had 174,000 "legal permanent residents," while Oregon had 78,000, or 44.8 percent of Washington's total,¹² suggesting that the costs of restoring food stamps for

immigrants and refugees in Oregon would be 44.8 percent of the cost in Washington. This estimate should, however, be adjusted downward because Oregon's program would not reach all ineligibles immediately as Washington's program did. Assuming a "take-up rate" of 80 percent in Oregon,¹³ the INS data suggest that the costs of providing benefits in Oregon annually would be \$1.8 million, or \$3.6 million for the 2001-03 biennium. Because there is no reason to believe that Oregon's share of immigrants compared to Washington's has changed since 1996, this estimate represents the cost of a complete restoration of benefits. The figure does not include, however, the costs of administering the program, which are discussed later in this paper.

Food Stamp quality control data for federal fiscal years 1995 through 1997 allow for a more precise estimate. These data can be analyzed to compare the average number of non-elderly adult immigrants, without disabilities, receiving food stamps prior to welfare reform, in Oregon, to the corresponding number in Washington.¹⁴ According to the quality control data, in an average month prior to welfare reform the number of non-elderly, able-bodied adult immigrants receiving food stamps in Oregon was 51.3 percent of the number receiving benefits in Washington. Adjusting for an 80 percent take-up rate in Oregon, this suggests an Oregon program cost of \$4.1 million in benefits for the 2001-03 biennium.

Last, by analyzing the Current Population Survey data covering the years 1998 and 1999, the estimated populations of non-citizens who are non-elderly adults without disabilities in Oregon can be compared with Washington. Adjustments can be made for elderly and children arriving in the United States after 1997, for refugees who arrived before 1994, for a percentage of the populations likely to have attained 40 quarters of work,¹⁵ for general food stamp participation rates in each state, and for an 80 percent take-up rate in Oregon. This analysis of CPS data showed that Oregon's program would reach a number equal to 65.6 percent of the total population being served in Washington. The CPS analysis suggests biennial benefit costs in Oregon of \$6.6 million.

All three of the above estimates begin with the cost of Washington's existing program to estimate the cost of a similar program in Oregon. Three sources taken together suggest that the benefit portion of an Oregon program would cost between 44.8 and 65.6 percent of the benefit costs in Washington. For the 2001-03 biennium, Oregon's benefit costs are estimated to fall between \$3.6 and \$6.6 million.¹⁶ The two most precise estimates suggest a range of \$4.1 million to \$6.6 million.

Food stamp quality control data can also provide an estimate of the number of immigrants and refugees likely to receive food stamps through an Oregon program. This method determines the cost of an Oregon program without comparing it to Washington. The national Center on Budget and Policy Priorities (CBPP), at the request of OCPP, devised three separate estimates of the number of individuals who would be restored under an Oregon program. CBPP analyzed food stamp quality control data and other information researchers at CBPP had gathered to create a 1997 guide for estimating the cost of State-funded food stamp programs for immigrants.¹⁷ Each of the three estimates begins with a base population of non-elderly adult legal aliens without disabilities receiving food stamps in 1996, prior to welfare reform. Each estimate then adjusts for general food stamp caseload decline,¹⁸ for the 40 quarters of work exemption,¹⁹ for the increase in naturalizations since 1996,²⁰ for the food stamp participation rate, and for a take-up rate in Oregon.²¹ The three estimates differ primarily in the number of refugees that are assumed to qualify for a State-funded program.

Based on these three estimates, the number of immigrants and refugees receiving benefits through a new State program in Oregon is likely to be between 2,100 and 4,600 monthly. The analysis did not consider immigrants who have arrived in Oregon since 1998 because no reliable information is currently available.

Much of the variation in estimates depends upon the number of refugees who would receive food stamps through the new program. The highest estimate assumes that nearly all non-elderly refugees without disabilities receiving food stamps prior to welfare reform would return to the caseload through a new State program.²² The lowest estimate assumes that no refugees would access the program. Neither extreme is likely: some refugees already saw their benefits restored in 1998 when Congress relaxed the welfare reform restrictions,²³ but some refugees remain ineligible.

The average monthly benefit per recipient in Oregon in fiscal year 1999-2000 was \$72.16. In Washington, where the average monthly benefit per recipient in State fiscal year 1999-2000 was \$72.00, the average monthly benefit per person within the State-funded program for immigrants and refugees was just \$61.56.²⁴ Because the two states' average benefit per recipient was similar, this analysis assumes that the monthly benefit costs within a State program for immigrants and refugees in Oregon would equal \$62. Multiplying that figure by the likely range in the number of immigrants and refugees who would benefit from the program (2100 to 4600), the total benefit cost estimate is between \$3.1 million and \$6.8 million for the 2001-03 biennium.

Table 2. Summary of benefit cost estimates for State-funded program fully restoring benefits to immigrants and refugees in Oregon	
Methods used	Estimated biennial costs
<i>Methods based on costs of Washington program</i>	
Source 1: INS data	\$3.6 million
Source 2: Food stamp quality control data	\$4.1 million
Source 3: Current Population Survey	\$6.6 million
<i>Method based on estimate of the number of immigrants and refugees receiving food stamps in Oregon prior to welfare reform</i>	\$3.1 - \$6.8 million

To check the veracity of its methodology, the Center on Budget and Policy Priorities used the same assumptions and data sources to estimate the number of refugees and immigrants in Washington who would benefit from that state's program. Multiplying this number by the average monthly food stamp benefit Washington provides per person,²⁵ the benefit costs in Washington came to between \$9.9 million and \$12.8 million per biennium. With Washington officials estimating the actual benefit costs over two years at \$10 million,²⁶ the CBPP methodology appears fairly accurate and effective at predicting program costs.

Administrative costs.

The federal government pays some of the costs associated with administration of the food stamp program. However, they will not pay any administrative costs associated with a program providing assistance to immigrants and refugees who are ineligible under federal rules. Administrative costs for an immigrant and refugee program must be added to the total benefit costs to estimate the full costs to the State of implementation. Administrative costs include the costs of additional staff time, overhead, and the costs of distributing benefits through the electronic benefit transfer (EBT) system. According to DHS, every 100 cases added through the new program would cost nearly \$69,000 in staff time and overhead over the course of the 2001-03 biennium.²⁷ While this analysis uses the DHS figure, the need for additional staff time is suspect. When DHS changed eligibility rules in 2000 that added thousands of new households to the caseload it did not seek nor obtain additional funds to cover additional staff time.

Separate from staff and overhead expenses, benefit distribution costs can be estimated at \$2.52 per new recipient household per month, which is the

average monthly cost of distributing food stamps in Oregon per recipient household in fiscal year 1999-2000.²⁸

Not all restored immigrants, however, will require a new case and new administrative costs, since the children, elderly, or disabled members of their households may already be receiving food stamps. In such instances, additional benefits will flow to the family, but no additional administrative costs will be required to deliver the benefits because no new case will need to be opened. Indeed, in Washington State, just 19 percent of all cases handled by the State program for immigrants and refugees contain only individuals who are ineligible for federal benefits.²⁹ That is, in 81 percent of the cases, the State did not need to open a new case at additional staff expense and distribution costs.

As discussed earlier, the food stamp quality control data suggests that between 2100 and 4600 people would obtain food stamps monthly through the new program. A further analysis of quality control data for 1995 finds that the average immigrant household receiving food stamps prior to welfare reform in Oregon contained 1.3 adult immigrants.³⁰ The people for whom the new program will restore benefits are adults, so this average can be used to estimate the number of households likely to receive food assistance through the new program. In this way, the new program can be estimated to benefit individuals in 1600 to 3600 households in an average month. Following the experience of Washington State, approximately 19 percent of these households will be new cases. That is, about 300 to 700 of the households added through the new program monthly would require new State administrative support.

Table 3. Estimated administrative cost of fully restoring food stamp benefits to immigrants in Oregon	
Type of cost	Estimated biennial costs
Staff costs and overhead	\$210,000 - \$480,000
Benefit distribution costs	\$20,000 - \$40,000
TOTAL	\$230,000 - \$520,000

Based on the estimate discussed above, the additional staff costs and overhead of the new program for the biennium would range between \$210,000 and \$480,000. The additional costs of distributing benefits would run between \$20,000 and \$40,000. In total, administrative costs would be between \$230,000 and \$520,000 (Table 3). If the agency were consistent in not

assigning administrative costs to policy changes that increase the caseload, the additional costs would be just \$20,000 to \$40,000.

Impact of recent program change.

On December 1, 2000, Oregon increased the income limit for food stamp eligibility and eliminated the limit on assets. This change will increase the number of immigrants and refugees who will become eligible for food stamps through a State-funded program. A precise estimate of the increase is not possible to determine.

As a result of the December 1 change, the total number of households in Oregon eligible for food stamps has increased. From November 2000 to January 2001, the number of Oregon households receiving food stamps increased 6.4 percent. This increase is partly due to predictable seasonal variations in the program. Over the same two-month period in five previous years, 1993-94 through 1998-99, the number of households increased by an average of 1.0 percent.³¹

The December 1 change appears to have had an impact on the caseload, even after taking predictable seasonal variations in the caseload into account. The cost of a State-funded program for immigrants is hence likely to increase as a result of this change. The increase due to the change, however, is likely to be small, given the small impact of the change to date on Oregon's total food stamp caseload. In part, the size of the increase may reflect the sort of families made newly eligible by the change. Many households at higher income levels - those affected by the change - do not apply for food stamps, even if they are eligible.

While the December 1 change will increase the costs of a State-funded program, the cost increases are unlikely to fully offset the cost reductions that would result from changing the State's administrative rules to provide immigrant families with more federally-funded food stamps. As described earlier in this paper, 81 percent of all households enrolled in Washington state's program receive both State and federal benefits. If the same percentage held true in Oregon, increasing the share of benefits paid by the federal government would dramatically reduce the costs of a State program.

Conclusion.

Oregon's immigrants and refugees improve the State's tax base, economic health, and social fabric, yet many legal immigrants and refugees are not able to receive food stamps in times of difficulty. Several states have used options available through the U.S. Department of Agriculture to increase the food stamp benefits accessible to low-income immigrant and refugee families. So far, Oregon has not taken advantage of these options.

If DHS changed its administrative rules on its own, or if legislators required the change by enacting Senate Bill 797, Oregon could immediately increase the benefits for low-income immigrant children whose parents are ineligible for food stamps. The federal government would pay for the additional benefits provided to Oregonians through this administrative rule change. The change would have no fiscal impact on the State.

Second, Oregon could join nine other states in using State money to restore fully benefits to immigrants and refugees. Senate Bill 797 should be amended to require this change. If Oregon implemented this State-funded restoration while simultaneously changing its administrative rules in the way described above, the State costs of full restoration would significantly decrease.

Based on an analysis of the best available data, the total costs (including both benefit and administrative costs) of a State-funded full restoration program will be between \$3.3 million and \$7.3 million dollars for the 2001-03 biennium. The number of refugees who access the program, a number that is difficult to determine based on the available data, will determine the actual program costs, as will the number of immigrants who have arrived in Oregon since 1998.

Again, if the State changed its administrative rules to allow more federal food stamp funds to flow to immigrant families, the cost of a full restoration program would be significantly reduced. Recent changes in Oregon's program will partially offset this reduction by increasing costs.

Determining the precise cost of fully restoring benefits to immigrants is not possible. The midpoint of the estimate range provided in this paper is \$5.3 million for the biennium, and should serve as a useful estimate of the program's cost. Oregon should allocate \$5.3 million for the 2001-03 biennium to restore fully benefits for immigrants and refugees, after changing the State's administrative rules to increase the federal share of the costs.

Endnotes.

¹ Public Law 104-193. Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Title IV, Subtitle A, Sections 402-3. August 22, 1996.

² Public Law 105-18, 1997 Emergency Supplemental Appropriations Act for Recovery from Natural Disasters, and for Overseas Peacekeeping Efforts, Including Those in Bosnia. Title VII. June 12, 1997.

³ Public Law 105-185. Agricultural Research, Extension, and Education Reform Act of 1998, Title V, Subtitle A, Sections 504, 506, 507. June 23, 1998. This law did not help those elderly, disabled, and child immigrants who arrived after the welfare reform law passed on August 22, 1996.

⁴ US Department of Agriculture. "Cumulative Questions and Answers on Certification and Work Issues in PRWORA," Current as of July 1999. See Section 402. Accessed at <http://www.fns.usda.gov/fsp/MENU/ADMIN/WELFARE/PRWORA/cumulat%20contents.htm>. See also US Department of Agriculture. "Guidance on State Option Food Stamp Programs." August 8, 1997. Accessed at <http://www.fns.usda.gov/fsp/MENU/ADMIN/WELFARE/SUPPORT/coupgd.htm>. In June, 2001 new federal rules will take effect that codify USDA's guidance, with some clarifications and changes. Under the new rules at 7 CFR 273.11(c)(2)-(4), states will still have the option of exempting the income of ineligible household members. The new rules do clarify that no household should receive more under this state option than they would have had welfare reform never passed. Also, while the rules call for states to count the assets held by ineligible household members, this will not apply in Oregon because the State has ended the asset test through what is known as "categorical eligibility."

⁵ USDA lists thirteen states restoring food stamps at least partially. These thirteen are California, Connecticut, Illinois, Maine, Maryland, Massachusetts, Nebraska, New Jersey, New York, Ohio, Rhode Island, Washington, and Wisconsin. In addition, the Center on Budget and Policy Priorities has identified programs operating in Minnesota, Missouri, and Texas. CBPP also finds that Colorado has instituted a program that provides emergency food to immigrants without restoring food stamps. USDA's list can be accessed at <http://www.fns.usda.gov/fsp/MENU/APPS/ELIGIBILITY/WorkandAliens/Statesprogram.htm>. CBPP's list was provided by Shawn Fremstad of CBPP on January 18, 2001 by email.

⁶ The nine states fully restoring benefits to immigrants with state funds are: California, Connecticut, Massachusetts, Maine, Minnesota, Nebraska, Rhode Island, Washington, and Wisconsin. See the list gathered by USDA at <http://www.fns.usda.gov/fsp/MENU/APPS/ELIGIBILITY/WorkandAliens/Statesprogram.htm>. The USDA list does not include Minnesota, but the state has fully restored benefits to immigrants, according to the Center on Budget and Policy Priorities. Stacy Dean of CBPP, in an email dated January 18, 2001 points out that Minnesota does not purchase food stamps for the program from USDA, and thus is not counted by the federal agency.

⁷ US Department of Agriculture. "Guidance on State Option Food Stamp Programs." August 8, 1997. See <http://www.fns.usda.gov/fsp/MENU/ADMIN/WELFARE/SUPPORT/coupgd.htm>

⁸ OAR 461-160-0410.

⁹ The monthly child care deduction in Oregon is capped at \$175 per child for children two years old or older, and at \$200 per child for children younger than age two.

¹⁰ Cost estimates of the Food Assistance Program for Legal Immigrants are for July 1999 to June 2000. They were provided by Tom Medina, State of Washington, in an e-mail dated September 19, 2000. This does not include the administrative costs.

¹¹ For the latest estimates on food stamp participation rates, Schirm, Allen L. *Reaching Those in Need: State Food Stamp Participation Rates in 1998*. Mathematica Policy Research, Inc. for USDA. January 2001. Accessed at: <http://www.fns.usda.gov/oane/menu/Published/fsp/Participation.htm>

¹² Immigration and Naturalization Service. "State Population Estimates: Legal Permanent Residents and Aliens Eligible to Apply for Naturalization." November 20, 1996. See <http://www.ins.gov/graphics/aboutins/statistics/lprest.htm>

¹³ Oregon is assumed to have an 80 percent take up rate due to being dependent on outreach and having to re-educate immigrants that they are eligible for food stamp benefits. Until the outreach and education is successful, one must assume that misinformation about continued ineligibility will limit the number of immigrants and refugees who take advantage of the new state program. Of course, not all eligible immigrants and refugees will ever participate in the program. As mentioned earlier, the most recent reliable estimates find that just 63 percent of eligible Oregonians actually received food stamps in 1998. The figure was 64 percent in Washington. Because the estimates in this section are based on Washington's actual costs, the low "participation rates" in both states have already been taken into account. The "take-up" rate will affect Oregon's program in addition to the "participation" rate. Just 63 percent of eligible immigrants and refugees can be estimated to have participated in the program had it been seamless, but because it was not seamless, only 80 percent of that 63 percent (or 50 percent) are estimated to actually participate in the program during its first biennium.

¹⁴ The benefit cuts took effect on August 22, 1997, one year after the federal welfare reform bill passed into law. Hence, the benefit cuts took effect at the end of the 1997 federal fiscal year (ending on September 30, 1997), so that the food stamp quality control data for FFY1997 is only slightly impacted by the cuts.

¹⁵ Some immigrants or refugees ineligible for food stamps can obtain eligibility if they can prove they have a history of 40 quarters of work. This estimate assumed that 20 percent of non-elderly, able-bodied adult immigrants and refugees would receive food stamps by obtaining eligibility in this way.

¹⁶ This estimate takes the annual cost of the Washington program, multiplies it by two (2) to obtain a biennial cost, and then multiplies that figure by the three estimates (INS data estimate, Food Stamp Quality Control data estimate, Census CPS data estimate), after adjusting for the take-up rate.

¹⁷ Daskal, Jennifer and Kelly Carmody. *A Guide to Estimate the Cost of a State-Funded Food Stamp Program for Legal Immigrants*. Center on Budget and Policy Priorities. December 4, 1997. See <http://www.cbpp.org/Stateopt.htm>. The author wishes to thank Daniel Tenny, Stacy Dean, and Dottie Rosenbaum at CBPP for their substantial assistance in generating the estimates described in this paper.

¹⁸ Oregon's caseload was estimated to have declined by 16.4 percent due to reasons other than changes in eligibility.

¹⁹ Some immigrants or refugees ineligible for food stamps can obtain eligibility if they can prove they have a history of 40 quarters of work. One of the three methods employed by CBPP assumed that 20 percent of non-elderly, able-bodied adult immigrants and refugees would receive food stamps by obtaining eligibility in this way; the other two methods made an adjustment based on the number of non-elderly, able-bodied adult immigrants receiving the 40 quarter work exemption in 1998.

²⁰ Seventeen percent of those non-elderly adult recipients without disabilities who were not exempted through the 40-quarter exemption and were likely to still remain eligible were assumed to have naturalized, thereby becoming eligible for food stamps as US citizens.

²¹ As in other estimates, the take-up rate in Oregon was estimated to be 80 percent.

²² The Quality Control data suggests a massive drop in the number of refugees receiving food stamps in Oregon between 1997 and 1998. According to the data, an average of about 6500 refugees were receiving food stamps monthly in Oregon in 1997. In 1998, the monthly estimate was approximately 500 refugees. These numbers should be read with extreme caution given the very small sample size and the possibility of data problems; nevertheless, the massive decline remains to be explained. Given more information about the number of refugees likely to utilize a new state program, the cost estimates generated in this paper could be narrowed to a smaller range.

²³ Specifically, Congress extended the number of years a refugee can live in the US without naturalizing and still receive food stamps from five years to seven years.

²⁴ Author's phone conversation with Tom Medina, State of Washington, October 31, 2000. The \$72 per person average monthly benefit is for state fiscal year 1999 (July 1999 through June 2000). The \$61.56 average within the state-funded program for immigrants and refugees is also an average over state fiscal year 1999. Medina emailed a spreadsheet containing the figures for the state-funded program to OCPP on October 31, 2000.

²⁵ The OCPP used the \$61.56 per person average monthly benefit provided to us by Tom Medina, State of Washington, on October 31, 2000 (see endnote 24).

²⁶ To determine this figure, OCPP simply multiplied the actual annual cost of \$5,025,680 by two.

²⁷ Author's phone conversation with Bob LeDoux, Adult and Family Services. November 2, 2000. AFS estimates of administrative costs are also detailed on a spreadsheet entitled, "Hunger Relief Taskforce Food Stamp Proposals." Provided to OCPP by Michele Wallace, Adult and Family Services on October 25, 2000. Spreadsheet is also dated October 25, 2000. AFS estimates that every 100 cases added would cost \$68,981 in staff time.

²⁸ State of Oregon, Department of Human Services, Adult and Family Services Division. "Public Assistance Data Charts. Statewide Data," September 2000, page 40.

²⁹ OCPP analysis of spreadsheet entitled "Food Stamp Caseload Data," State of Washington, ESA Office of Planning and Research. Received from Michael Lamon of Oregon's Adult and Family Services by fax on August 4, 2000. Of course, not all eligible households actually receive food stamps. For a comparison of the percentage of eligible households receiving food stamps in Washington and Oregon see Schirm, Allen L. *Reaching Those in Need: State Food Stamp Participation Rates in 1998*. Mathematica Policy Research, Inc. for USDA. January 2001.

³⁰ On average, immigrant families receiving food stamps in 1995 contained 1.6 immigrants and 0.3 immigrant children. Hence, OCPP estimates that the average immigrant family receiving food stamps prior to welfare reform in Oregon contained 1.3 adults.

³¹ The period in the year immediately prior (November 1999 – January 2000) was excluded because another rule change implemented over that time period affected the caseload. The food stamp caseload increased 8 percent over this period.