



NEWS RELEASE

California Department of Social Services

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California Achieves Historically Low Food Stamp Payment Error Rate, Avoids Millions in Federal Penalties

SACRAMENTO – California has reached another milestone in improving its food stamp payment error rate, announced John A. Wagner, Director of the California Department of Social Services (CDSS).

“We are pleased California’s payment error rate is below the national average for the first time,” said Wagner. “This achievement reinforces important quality control measures and reflects the administration’s commitment to working with our county partners to provide essential nutritional assistance to the neediest Californians.”

In its official notification of the state’s historic low payment error rate, United States Department of Agriculture (USDA), Food, Nutrition and Consumer Services Undersecretary Nancy Montanez Johner praised California and the Schwarzenegger Administration. “I would like to congratulate you for your achievement in obtaining a payment error rate that is below the national average. This reflects a strong commitment on your part to the proper administration of the Food Stamp Program,” said Johner.

California has focused on payment accuracy when distributing food stamps to the state’s low-income residents. Factors contributing to the state’s historic error rate include expanded state oversight, monthly county performance reviews and sharing of best practices. In addition, counties have formed review panels and conducted secondary quality assurance reviews while committing to food stamp payment accuracy.

California’s 2007 federal fiscal year final food stamp error rate is 5.31 percent compared to the national average of 5.64 percent. As a result of this achievement, California will avoid sanctions and penalties totaling \$12.7 million for federal fiscal year 2007. The 5.31 percent is an all-time low for California and the first time the state level is below the national average. The combined efforts of CDSS and California counties have resulted in the nation’s largest food stamp error rate reduction in the past year. Food stamp error rates are calculated by the number of overpayments and underpayments made to program recipients.

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