Threats to SNAP and its effects on low-income households: What you need to know

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The Farm Bill

- National agriculture,
- Nutrition,
- Conservation, and
- Forestry
Food for the Hungry Shouldn’t have a Time Limit.

Submit a comment to keep #HandsOffSNAP at FRAC.org/TimeLimitComments
What are the work time limits?

- “Able Bodied Adults Without Dependents” = ABAWD
- Childless individuals age 18-49
- 3-month SNAP time limit in 3 years – unless exempt OR meeting “work rules”
Who are the ABAWDs?

Very vulnerable populations, including

- Former foster youth
- Those struggling with undiagnosed health issues, including veterans
- Underemployed workers, seasonal workers
- The homeless
- Those facing transportation barriers
Stricter time limits to SNAP-April 2

- Targeted able bodied adults without dependents (ABAWDs)
- Proposed to take away states flexibility to waive high unemployment areas
- Reduce the discretion of states to exempt some individuals from the time limit
Effects

- Harm to unemployed and underemployed adults.
- 755,000 current SNAP recipients nationwide
- Up to 50,000 low-income adults in MA
- Puts more pressure on non-profits and faith based organizations
- Increases health care costs
- $95 million per year in federal SNAP nutrition dollars
Robert is a 23-year-old who was diagnosed with a mental health illness but unable to find a mental healthcare provider because none in his small community accepted his health insurance.

Robert’s employer could only give him 10 hours a week of work. After three months, Robert’s SNAP benefits were cut because he was unable to work an average of 20 hours a week.

Robert was then forced to rely on his local food pantry for food and often went without meals when that food ran out."
Nearly 1 million children could lose access to automatic free school meals. This is cruel and unacceptable.

Submit a comment to protect kids' access to good nutrition: FRAC.org/catelcomments
What is “Broad Based Categorical Eligibility”? A longstanding federal SNAP option that allows states to:

- Use a gross income test above federal standard of 130% FPL - capped at 200% FPL.*

- Waive the SNAP asset test ($3,500 for elder/disabled households and $2,250 for other households).

*There is no gross income test for elder/disabled households.
What’s the difference in the gross income test?

<table>
<thead>
<tr>
<th>Household size</th>
<th>130% FPL / month</th>
<th>200% FPL / month</th>
<th>What’s the difference?</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>$1,784</td>
<td>$2,818</td>
<td>$1,034/mo</td>
</tr>
<tr>
<td>3</td>
<td>$2,252</td>
<td>$3,555</td>
<td>$1,303/mo</td>
</tr>
<tr>
<td>4</td>
<td>$2,720</td>
<td>$4,292</td>
<td>$1,572/mo</td>
</tr>
</tbody>
</table>
USDA’s proposal

1. Deny SNAP to any low-wage working individuals or families with *gross* income above 130% poverty level – *before* any shelter or child care deductions

   (Note: This will not affect households with elder or disabled individuals).

1. Impose the low asset tests for all households
### Impact on family of 3: Working Mom with 2 kids

<table>
<thead>
<tr>
<th>Gross income</th>
<th>Current SNAP amount (assumes she has high shelter costs &amp; pays $600/mo child care)</th>
<th>SNAP amount under proposed rule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hourly wage @ 40 hours/week x 4.3 weeks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$12/hr = $2,079/mo</td>
<td>$401/mo</td>
<td>$401/mo - still eligible</td>
</tr>
<tr>
<td>$14/hr = $2,408/mo</td>
<td>$318/mo</td>
<td>NO SNAP</td>
</tr>
<tr>
<td>$15/hr = $2,580/mo</td>
<td>$276/mo</td>
<td>NO SNAP</td>
</tr>
<tr>
<td>$18/hr = $3,096/mo</td>
<td>$151/mo</td>
<td>NO SNAP</td>
</tr>
</tbody>
</table>
The Harm: National Numbers

- USDA estimates that 3.1M individuals would lose SNAP including 1.9 million who live with kids, 600K adults 60+, and 300K households that include a disabled individual.
- Loss of $25-30B in SNAP over the 10 years ($3B/year).
- Ends free school meals for 500,000 children
The Harm: Massachusetts

- Could cut 90K MA residents from SNAP – nearly 12% of MA caseload – including
  - Families working or getting back to work
  - Older adults & persons with disabilities
The Harm: Massachusetts

- Loss of grocery revenue to 5,000 MA retailers
- Increased health care costs
- Severs connection to HIP and free school meals
- Undercuts the work DTA has done to simplify SNAP & decrease churn
Impact on school meals and MA school districts

- Families 130% to 185% FPL gross income will lose automatic free school meals, must apply for “reduced-price” meal status if no child gets SNAP or TANF

- Reduction in “directly certified” children for free school meals may impact –
  - Schools ability to qualify for the Community Eligibility Provision (CEP) – universal free meals for all children
  - distribution of “Chapter 70” state education dollars
  - qualifying teachers for student loan forgiveness in low income schools (TCLI list)
  - E-rate programs for school and library technology based for high poverty schools
Example of MA family harmed by gross income test

- Sarah works 2 jobs to provide for herself and 3 yr old son.
- Earns $2,060/mo gross.
- Sarah pays child care and $1,300 rent, car insurance & gas to get to work.
- She gets $133/mo SNAP + qualifies for $40/mo HIP benefit.

Sarah would lose her SNAP under proposed rule. Gross income exceeds 130% FPL.
Example of MA older adult harmed by asset test

- Jane is 82, sole income is $1,100 Social Security.
- She keeps $4,000 in her bank account & refuses to touch it so her daughter can pay for burial/funeral costs. No other assets.
- Jane has a heart condition, doctor told her she needs to eat healthier foods.
- Could not afford her rent + transportation + healthier foods without SNAP. Jane would be denied SNAP with $4,000 in the bank.
- Jane is currently eligible for $100/mo SNAP plus $40/mo HIP.
- Jane’s health gets worse because she does not have SNAP and HIP.
Say "no" to proposed rule that would cut the power of SNAP for nearly 1 in 5 SNAP households.

Submit a comment to keep #HandsOffSNAP at FRAC.org/snap-sua-comments
What is the “Standard Utility Allowance”

- SNAP calculation takes into account income + expenses - DTA looks at a household’s NET income available to purchase food after certain costs.
- Shelter costs – including utilities – is one of key expenses
- Because of variations in utility costs during the year, each state can set a standard utility amount – the “Standard Utility Allowance” or SUA
How does the Standard Utility Allowance work?

- For 40 years, states have come up with their own SUAs and USDA has approved their SUA amounts.
- DTA has long used a SUA instead of actual utility costs. Utility costs go up and down during the year. A SUA makes processing SNAP simpler!
- The HCSUA includes the costs of heating, cooling, cooking gas, electricity for appliances, trash collection, phone and more.
- The MA HCSUA is currently $646.
- Historically SUAs have been set at a level high enough to capture expenses experienced by almost all SNAP households – the SUA is NOT an average.
What is USDA proposing to do?

- Impose a National SUA Methodology that states have to follow
- USDA has not said exactly what it plans to do, other than use national survey data.
- USDA has not explained why current methodologies are no longer acceptable and why there is need to mandate a standardized methodology.
- USDA would eliminate ability to use more current, state-specific data and instead use outdated data that is not truly/actually state specific.
- No ability for states to appeal.
What harm would this cause nationally?

USDA’s proposed rule change to SNAP SUA would cut $4.5 billion in SNAP benefits over 5 years and decrease SNAP for 19% of SNAP households:

- 7 million people in 3 million households.
- Average: about -$31 per month, a 14% cut in their household benefits.
- Monthly household benefit cuts range from -$1 to -$110.
- In 25 states more than 30% of households will see a cut.
- In 16 of these states more than 40% of households will see a cut.
What harm would this cause in Massachusetts?

- USDA estimates 45% of Massachusetts SNAP households would lose some of their SNAP (about $50/month) – approx. 200,000 households.
- Because of the SNAP math & the shelter cap, rule would disproportionately harm seniors and persons with severe disabilities.
- It would also harm some working families (who already lose out in the SNAP math).
What harm would this cause in Massachusetts?

- USDA estimates there would be an 8.8% reduction in net SNAP in Massachusetts = a cut of about **$100 million/year**
- In terms of % of the caseload harmed, Massachusetts would face **more harm than 45** other states.
States Hardest Hit, According to USDA

<table>
<thead>
<tr>
<th>States with largest % of caseload harmed</th>
<th>States with biggest $$$ loss of SNAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Vermont</td>
<td>1. Vermont</td>
</tr>
<tr>
<td>2. Pennsylvania</td>
<td>2. Maine</td>
</tr>
<tr>
<td>5. Massachusetts</td>
<td>5. Pennsylvania</td>
</tr>
<tr>
<td></td>
<td>6. Connecticut</td>
</tr>
<tr>
<td></td>
<td>7. New Hampshire</td>
</tr>
<tr>
<td></td>
<td>8. Massachusetts</td>
</tr>
</tbody>
</table>
### Sample Monthly SNAP for 1 senior/person with disabilities

<table>
<thead>
<tr>
<th>Monthly Income ▼</th>
<th>Sample rent or home ownership costs – (assumes 50% income as rent)</th>
<th>SNAP with Actual HCSUA in 2017</th>
<th>SNAP Benefit with PROPOSED HCSUA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$800</td>
<td>$400</td>
<td>$194</td>
<td>$159 (-$35)</td>
</tr>
<tr>
<td>$1,000</td>
<td>$500</td>
<td>$147</td>
<td>$99 (-$48)</td>
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<tr>
<td>$1,200</td>
<td>$600</td>
<td>$87</td>
<td>$39 (-$48)</td>
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<tr>
<td>$1,400</td>
<td>$700</td>
<td>$27</td>
<td>$16 (-$11)</td>
</tr>
<tr>
<td>$1,600</td>
<td>$800</td>
<td></td>
<td>$16</td>
</tr>
<tr>
<td>$1,800</td>
<td>$900</td>
<td></td>
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</tr>
</tbody>
</table>
Example of MA working family harmed

Lucy works 35 hours/week and earns $12/hour. She and her daughter share a room in friend’s apartment.
Pays $560/month in rent + a portion of the bills for the apartment’s AC and heat.
Under the proposed rule, the family would lose $47/month in SNAP (drop from $122 to $75).
Example of MA older adult family harmed

Mary & Joe are 70 and married. Combined total income is $1,600. Rent is $640 (40% of their income) & they also pay for oil heat. SNAP under current rules = $82/mo. Under the proposed rule, it would drop by $48 – to only $34/mo.
YOU can make a difference!

- Comments are an effective tool to make sure your voice is heard in any government rule change.
- USDA must review every unique comment it gets.
- Comments help focus public attention on an issue, and may help with legal challenges in court.
How to comment by 12/2!

- Template for organizations: Add original text about your organization, who you serve, and your concerns.
- Comment platform for individuals: HandsOFFSNAP.org
- Go to Regulations.gov to post comment directly
- Get active on social media! Hashtags: #HandsOffSNAP, #ProtectSNAP