



COALITION ON HUMAN NEEDS

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September 23, 2019

SNAP Program Design Branch,
Program Development Division
Food and Nutrition Service
3101 Park Center Drive
U.S. Department of Agriculture
Alexandria, VA 22302

Re: Notice of Proposed Rule Making -- Revision of Categorical
Eligibility in the Supplemental Nutrition Assistance Program (SNAP) RIN
0584-AE62

Dear SNAP Program Design Branch:

On behalf of the Coalition on Human Needs, I appreciate the opportunity to comment on USDA's Notice of Proposed Rule Making on a Revision of Categorical Eligibility in the Supplemental Nutrition Assistance Program (SNAP). The proposed changes would cause serious harm to more than 3 million people nationwide who would lose SNAP benefits, as well as to our economy and our country as a whole. I strongly oppose the proposed rule and urge you to withdraw it.

The Coalition on Human Needs (CHN) is an independent non-profit alliance of roughly 100 national-scope organizations, representing human service providers, people of faith, civil rights, labor, and community-based groups, policy experts, and other advocates concerned with meeting the needs of low-income and vulnerable people through effective and adequately funded federal programs and policies. CHN members have a long history of supporting and expanding anti-hunger programs including SNAP. Members who provide emergency food through charitable donations strongly support SNAP as a necessary mainstay of nutrition assistance that charitable giving could not possibly replace.

As the country's largest nutrition assistance program, SNAP is an essential program in addressing our nation's hunger and food insecurity crisis. According to the Supplemental Poverty Measure released on September 10 by the U.S. Census Bureau, SNAP lifted 3.1 million Americans out of poverty in 2018

(<https://www.census.gov/content/dam/Census/library/visualizations/2019/demo/p60-268/figure8.pdf>).

The Supplemental Poverty Measure shows the significant role SNAP plays in reducing poverty. It also shows more accurately than the Official Poverty Measure the impact of

rising costs such as housing, child care, and out-of-pocket medical expenses on the budgets of low-income people. There was no reduction in the poverty rate in 2018 according to the Supplemental Poverty Measure because those rising costs outweighed low-income people's meager income sources. Categorical Eligibility has been a means of allowing low-income people to receive SNAP, recognizing that the high costs of housing and work-related expenses leave people with incomes inadequate to cover all necessities. Denying states the flexibility to utilize Cat-El will undo some of the anti-poverty effectiveness of SNAP, hurting millions of people, with particular harm to children.

As the leading government agency on food and nutrition, the USDA should be working to streamline access across nutrition assistance programs; instead, this proposed rule will leave millions more families hungry and in poverty, to the detriment of our country as a whole.

The proposed rule would severely diminish the flexibility states currently have under the "Broad-Based Categorical Eligibility" (or "Cat El") option <https://fns-prod.azureedge.net/sites/default/files/snap/BBCE.pdf>. It would gut options that states currently have to eliminate SNAP asset tests and use a higher income test to serve more working households that have significant expenses for basic needs such as child care and housing. The will unfortunately produce a "cliff effect," in which working families that are trying to climb out of poverty and near-poverty into the middle class by getting a higher paying job or a raise are punished for doing so by having food assistance taken away from them.

It is important to note that while Cat El allows states to consider households with higher gross income than SNAP alone allows, those households will only qualify for SNAP benefits if they have high expenses that leave little of their income to pay for food. In 2017, only a small fraction of a percent of SNAP assistance went to households with net incomes (after deducting certain expenditures) above the official poverty line.

Forty states have made use of Cat El in order to better serve needy families and reduce the states' administrative burdens. (A map showing the states is available here: <https://www.cbpp.org/over-40-states-use-broad-based-categorical-eligibility>.) Stopping the vast majority of states from employing a means of providing assistance to working families and retirees who are struggling because of high costs is a counterproductive rejection of lawful state decision-making.

The proposed rule would cut SNAP benefits by \$10.5 billion over five years – eliminating SNAP benefits for 3.1 million individuals, including 600,000 people age 60 or older. It would punish people with even meager savings. It would also take free school meals away from the more than 500,000 children in those families. In addition, it would increase the burden on families attempting to access WIC services, particularly in some rural states. Food insecurity – which will be increased under this rule – has a detrimental effect on people of all ages, but is especially harmful to infants, children, and the elderly.

Research by Children’s Health Watch and others [document](#) the harmful impact of food insecurity on health. They note: “Direct health-related costs attributable to food insecurity included asthma in all age groups, chronic obstructive pulmonary disease, type 2 diabetes, obesity, arthritis, rheumatoid arthritis, gout, lupus, fibromyalgia in adults, and non-neonatal hospitalizations and iron-deficiency anemia in children.” Nationwide, the health impacts alone of food insecurity cost \$160 billion. If USDA eliminates broad-based categorical eligibility, rising food insecurity will have negative impacts on individual health and income, as well as on the economy.

Based on USDA’s Economic Research Service analysis, it is estimated that each \$1 in federal SNAP benefits generates roughly \$1.79 in economic activity (<https://www.ers.usda.gov/webdocs/publications/93529/err-265.pdf?v=8010.7>). Those dollars help food retailers who rely on SNAP beneficiaries as customers to remain in business, and that in turn improves food access for all residents. But the cuts proposed in the rule would reduce the stimulative effect of SNAP. This could be especially problematic should the nation fall into an economic downturn or recession.

The USDA’s Economic Research Service has also reported that SNAP spending has a positive effect on food and beverage manufacturers, wholesalers, trucking and freight industries, as well as health and agriculture sectors. These sectors could all be affected by cuts to SNAP. In addition, the USDA has estimated the proposed rule would increase SNAP administrative costs by more than \$2.3 billion.

Cat El policies have been successful for more than 20 years, and the proposed rule is directly contrary to Congressional intent. Congress has repeatedly rejected efforts to gut Cat El, including during its consideration of 2005 budget reconciliation and the enactment of the 2018 Farm Bill. The proposed rule is outside USDA’s authority, and the Department should stop its efforts to implement a rule Congress has explicitly opposed.

The members of the Coalition on Human Needs believe that the USDA should act to strengthen SNAP for the benefit of millions of Americans and for the benefit of our economy, rather than cutting SNAP benefits for 3 million of our low-income neighbors. We agree with Congress’ decision to protect Cat El in the 2018 Farm Bill, and strongly urge the U.S. Department of Agriculture to withdraw this proposed rule.

Sincerely,



Deborah Weinstein
Executive Director

Your Comment Tracking Number: **1k3-9ccp-j2y1**