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CWDA
Advancing Human Services
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CCWRO
Coalition of California Welfare Rights Organizations, Inc.

Statement on Trump Administration's Proposed Rule to Cut SNAP Food Benefits July 23, 2019

In yet another blow to people experiencing poverty in the United States, the Trump Administration has proposed a new [set of rules](#) for the Supplemental Nutrition Assistance Program (SNAP food benefits). **The rule targets low-income families by seeking to end a long-standing and widely adopted rule that eases the application and retention burden for families that qualify for other federal benefits, like CalWORKs in California, for SNAP benefits – reducing hunger for millions of Americans.**

Western Center on Law & Poverty, California Association of Food Banks (CAFB), California Food Policy Advocates (CFPA), the Coalition of California Welfare Rights Organizations, Inc. (CCWRO), and the County Welfare Directors Association of California (CWDA) are, once again, prepared to engage against this attack on our public safety-net and the families it serves.

"This newest proposal is just one more in a long line by this administration that will remove food, housing and other basic needs assistance for people already struggling to get by," said Jessica Bartholow of Western Center on Law & Poverty, and chairperson of the [Lifting Children Out of Poverty Task Force](#) Safety-net Committee. "No one in our country should go hungry, yet over [13 million children](#) live below the federal poverty line and are in danger of going hungry every day. This policy makes hunger even more likely. It's a step in the completely wrong direction."

[Current law](#) includes a "broad-based categorical eligibility" option for states, which allows them to adjust SNAP eligibility to serve families with incomes modestly above 130 percent of the Federal Poverty Level (FPL), provided that their net income after shelter, childcare, and other basic expenses is under 100 percent of FPL. HHS currently lists its [Poverty Guidelines](#) at \$21,330 annually for a family of three; since the actual cost of living across the country is significantly higher than the threshold, many states have chosen the categorical eligibility option, including California.

When California implemented the law in 2008, it had strong bipartisan support, and was enacted by Republican Governor Schwarzenegger with the explicit intent to improve nutrition and promote the retention and development of assets and resources for needy households who meet all other SNAP eligibility requirements. At the time, it was estimated that the law would result in an increase of approximately 6.2 percent of existing caseload.ⁱ

If we apply that rate to the current caseload, we can assume that **the removal of categorical eligibility could impact over 120,000 California households living below 200 percent of FPL, most of whom are working.**ⁱⁱ Additionally, California's minimum wage increase puts more low-income families between 130 and 200 percent of FPL, which means the number of California households impacted by the rule could be much higher.



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When analyzing the impact of implementing categorical eligibility, the Legislature also estimated an approximate increase of 170,000 children who would benefit from federally funded school meals as a result of direct certificationⁱⁱⁱ due to broad based categorical eligibility.^{iv} Not only will the proposed rule change increase food insecurity and incidences of hunger among low-income working families with children, it will also exacerbate the “cliff effect” that forces families off of aid when they improve earnings before they meet their food needs.

The removal of the categorical eligibility option will also significantly increase states’ administrative costs and burden. It will require 43 states to restore an asset test for SNAP, which they had removed because it costs more to implement than it saves. Although SNAP asset tests are estimated to make one percent of applicants ineligible for the program, county administrators must apply the test to 100 percent of applicants and recipients.^v

There is evidence that eliminating the SNAP asset test has helped states reduce churn in the program -- processing repeat applications for a single household. The asset test and churn rates are believed to be linked because frequent asset fluctuations resulting from paycheck deposits can render participants temporarily ineligible.^{vi}

While the existence of asset tests in SNAP have not been demonstrated to directly discourage savings since low-income families generally have too little funds to meet basic needs or to save, the tests do discourage savings for people who have fallen into poverty but have yet to spend down their savings to qualify for help. Forcing them to do so lengthens the time they will spend in poverty, and reduces the likelihood that they will chose to save money when they have it.^{vii} It also further exacerbates income inequality by ensuring that people with low-incomes remain unable to build wealth, and has a harsh impact on seniors who have accrued modest savings.

Western Center, CAFB, CFPA, CCWRO, and CWDA will support efforts to respond to the proposed rule. If comments collected in the 60-day comment period fail to discourage the administration from publishing the final rule, we will take whatever steps are necessary to prevent hunger and protect the rights of low-income Californians.

For more information about the national response to the proposed rule, see statements made by the [Food Research and Action Center](#) and by the [Center on Budget and Policy Priorities](#).

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About Western Center on Law and Poverty

For over five decades, Western Center on Law & Poverty has advocated on behalf of individuals with low incomes in every branch of California government—from the courts to the Legislature. Through the lens of economic and racial justice, we litigate, educate and advocate around health care, housing, and public benefits policies and administration. Learn more at wclp.org.



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For more information about Western Center's work to prevent hunger, contact:

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About California Association of Food Banks

The California Association of Food Banks is creating a hunger-free California. By harnessing the voice of our 41-member food banks, we influence public policy, collaborate with local farmers, and educate hungry Californians about access to nutrition services.

Contact: Rachel Tucker, Senior Policy Associate

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About California Food Policy Advocates

CFPA is a statewide policy and advocacy organization dedicated to improving the health and well-being of low-income Californians by increasing their access to nutritious, affordable food.

Contact: Jared Call, Managing Policy Advocate

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About the Coalition of California Welfare Rights Organizations, Inc.

CCWRO is a statewide, nonprofit organization that provides back-up services to qualified legal service field programs. CCWRO provides consultation, information, training, and representation on issues relating to public benefit programs such as TANF and SNAP.

Contact: Kevin Aslanian, Executive Director

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About the County Welfare Directors Association of California (CWDA)

The County Welfare Directors Association of California - CWDA - is a nonprofit association representing the human service directors from each of California's 58 counties. The Association's mission is to promote a human services system that encourages self-sufficiency of families and communities, and protects vulnerable children and adults from abuse and neglect.

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ⁱ Assembly Bill 191 (Fuentes, 2013) enacted categorical eligibility in our CalFresh Program by adding Section 18901.5 to the Welfare and Institutions Code. This Act was implemented by All County Letter



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ⁱⁱ We assert that most families will be working because income from public assistance alone is not enough to put a family over 100% of the federal poverty line. Supplemental Security Income maximum monthly benefit is approximately 70% of the FPL and the CalWORKs maximum benefit is 42% of the FPL.

ⁱⁱⁱ See FRAC's resource on the connection between SNAP and school meals: <http://www.frac.org/wp-content/uploads/snap-categorical-eligibility-and-school-meals.pdf>

^{iv} Assembly Bill 191 (Fuentes, 2013) California State Assembly Appropriations Analysis: https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill_id=201320140AB191

^v States Rethink Asset Tests for People on Food Stamps (May, 2016): <http://www.governing.com/topics/health-human-services/gov-states-rethink-asset-test-people-food-stamps.html>

^{vi} Asset Limits, SNAP Participation, and Financial Stability (June 2016), Ratcliffe, C. et. al. <https://fns-prod.azureedge.net/sites/default/files/ops/SNAPAssets.pdf>

^{vii} Ibid.