



March 29, 2019

Certification Policy Branch  
SNAP Program Development Division  
Food and Nutrition Service, USDA  
3101 Park Center Drive  
Alexandria, Virginia 22302

RE: Proposed Rule: Supplemental Nutrition Assistance Program (SNAP):  
Requirements for Able-Bodied Adults without Dependents RIN 0584-AE57

Dear Certification Policy Branch:

The California State Association of Counties (CSAC) and the County Welfare Directors Association of California (CWDA) take this the opportunity to comment in opposition to USDA's Proposed Rulemaking on SNAP requirements and services for Able-Bodied Adults Without Dependents (ABAWDs). The proposed changes would cause serious harm to certain low-income Californians who depend upon the program for short periods of time as they work to re-gain financial stability by reducing state flexibility and more strictly enforcing SNAP work requirements.

Both CSAC and CWDA represent county agencies which help serve local communities through a broad range of vital programs and services, many of which help ensure the health and wellbeing of residents. SNAP is a foundational program in achieving that goal. In our state, it is administered at the county level.

### **SNAP Matters**

SNAP plays a critical role in addressing hunger and food insecurity in communities and counties across California. It is the first line of defense against hunger for low-income residents.

Statistics show that just under 12 % of Californians struggle with food insecurity and that on average, 1 out of every 8 Californians do not know where their next meal will come from. This is further magnified by the fact that some areas in California have some of the highest unemployment rates in the nation<sup>i</sup>.

More than 73% of SNAP participants are in families with children, almost 11% are in families with elderly or disabled members, and more than 48% of SNAP



participants are in working families in California<sup>ii</sup>. Drastically changing SNAP ABAWD rules will impact all these populations.

Reduced food security will also result in additional homelessness issues both statewide and within local communities. SNAP helps keep individuals and families across California out of poverty. Even with that support, 43% of SNAP participants in California live below the poverty line and changing or removing SNAP benefit eligibility to this population will further increase food insecurity and lead to additional homelessness<sup>iii</sup>.

### **Economic Impact**

The economic impact of such a proposed drastic change in ABAWD rules would have an enormous economic impact not only on California as a state, but on several local California communities and counties as well. SNAP drives over \$11 billion in total economic activity annually in California. Consequently, the proposed rule would harm our local economies, retailers and agricultural producers by reducing the amount of SNAP dollars people must spend on food.

Based on USDA Economic Research Service analysis, it is estimated that each \$1 in federal SNAP benefits generates \$1.79 in economic activity. Those dollars help many food retailers operating on thin margins to remain in business; something that improves food access for all residents.

Local farmers' markets in California receive revenue from SNAP purchases and many of those markets also participate in incentive programs that provide SNAP shoppers with bonuses for purchasing fruits and vegetables. Not only does this help generate local revenue for California's agricultural market, but also helps facilitate overall good health and wellbeing for Californians, which reduces medical costs.

### **Effectiveness of Area Waivers and Individual Exemptions**

Federal law limits SNAP eligibility for childless unemployed and underemployed adults age 18-50 (except for those who are exempt) to just three months out of every three years unless they are able to obtain and maintain an average of 20 hours a week of employment. This law harms vulnerable people by denying them food benefits at a time when they most need it and it does not result in increased employment and earnings. By reducing state flexibility for this populations and time-limiting food assistance to this group, this proposed rule would shift the burden of providing food to these unemployed individuals to states, counties, cities, and local charities.



Under current law, states have some flexibility to ameliorate the impact of the cutoff. They can request a waiver of the time limit for areas within the state that have 10 percent or higher unemployment rates or, based on other economic indicators, have “insufficient jobs.” Moreover, states have discretion to exempt

individuals from the time limit by utilizing a pool of exemptions (referred to as “15 percent exemptions”). While the 2018 Farm Bill modified the number of exemptions that states can receive each year from 15 percent to 12 percent, it did not change their ability to carry over unused exemptions forward.

The proposed rule rejects the approach taken up by the 2018 bi-partisan farm bill, which fought to protect SNAP benefits, maintain current area waivers and provide ongoing investments to support job opportunity through employment and training efforts.

ABAWD waivers in California have helped provide critical food assistance to unemployed and impoverished individuals, many of whom are living under the federal poverty level. The most recent California Economic Development Department (EDD) data show that many counties and regions in the state currently have unemployment rates that are above the national average<sup>iv</sup>.

### **Administrative Burden**

Eliminating statewide waivers would result in a significant administrative burden in California which will not help save or reduce costs. County staff already work with ABAWD’s to pursue appropriate employment and training activities if indeed those opportunities are available. The elimination of the waiver would require additional significant staff time and training to further engage the ABAWD caseload in employment and training opportunities and activities. California counties that currently do not have an ABAWD waiver have implemented California’s statewide policy which aims to engage the ABAWD population to determine if individuals are exempt or if they are meeting employment and training hours. Because ABAWDs are only eligible for three months of food assistance, this tracking is manual, extremely time and labor intensive, and must be done monthly. Significant administrative funding would be required statewide in order to implement this policy change and continue engaging the ABAWD population.

### **Reduced State Flexibility**

CWDA and CSAC strongly oppose the proposed rule that would expose even more people to the arbitrary food cutoff policy by limiting state flexibility regarding area waivers and individual exemptions. By the Administration’s own



calculations, the proposed rule would take food away from 755,000 low-income Americans, cutting food benefits by \$15 billion over ten years. The Administration does not estimate any improvements in health or employment among the affected population.

The proposed rule would make it harder for areas with elevated unemployment rates to qualify for waivers of the time limit by adding a 7 percent unemployment rate floor as a condition. This would have a negative impact on our state as several areas in the state still have a lack of jobs for low-income adults for several reasons, including lack of transportation and education. Several California counties face these issues, including some of our rural populations, and even areas that are densely populated.

The proposed rule would make it harder for states to obtain and implement area waivers by dropping statewide waivers except when a state triggers extended benefits under Unemployment Insurance. It would unduly limit the economic factors considered in assessing an area's eligibility for a waiver (e.g., by no longer allowing employment to population ratios that demonstrate economic weakness to qualify areas for waivers). It would undermine efficient state implementation of area waivers by limiting their duration to 12 months and delaying their start dates until after USDA processes the request. In addition, the proposed rule would remove states' ability to use exemptions accumulated prior to the rule's implementation as well as limit the time states' have to use exemptions they receive in the future. If implemented, these administrative actions do not provide states and counties with the ability to thoughtfully plan and respond immediately to the needs of individuals in high unemployment areas.

California has structured the use of exemptions such that they can be used to encourage individuals to engage in employment and training activities. For example, exemptions are used for individuals living in rural areas who may require additional time to engage in job search activities, or for those individuals who are engaged in employment and training but may happen to not meet hours during a given month due to illness, for example. Reducing or eliminating use of any of these exemptions further hurts the economy as they are meant to assist individuals who are complying or attempting to comply with program requirements.

### **Potential Harm to Children**

Existing state flexibilities to waive these counterproductive requirements due to economic conditions are incredibly important. The agency's proposal to restrict



those flexibilities will result in an estimated 750,000 individuals losing access to the critical support they receive from SNAP.

Because SNAP is so important for low-income and food-insecure children, children under the age of 18 and the adults who live with them are technically exempt from the three-month time limit for SNAP. However, though current rules around the SNAP time-limit explicitly exempt adults who have a dependent child under the age of 18 or live in a household with children under 18, this definition may not allow for the complex financial arrangements that low-income families utilize to put food on the table. Our county staff serve vulnerable children who as a result of this rule will experience a reduction in important resources that help meet their basic needs, even though the rule does not account for this in its cost benefit analysis. This includes:

**Children with non-custodial parents:** Poverty is a troubling reality for custodial and noncustodial parents (NCP). The most recent available data from 2015 suggests that 3.5 million custodial parents live below the poverty line, making access to food assistance all the more important for them and their children<sup>v</sup>. Thus, some 4.5 million poor and low-income custodial parents who rely on child support payments from NCPs also utilize SNAP to put food on the table for their children<sup>vi</sup>. Yet NCPs are often themselves low-income, with 2.1 million living below the poverty line in 2015, and 1.5 million accessing SNAP to supplement their resources to afford child support payments<sup>vii</sup>. Because NCPs are not exempt from the ABAWD time-limit, the proposed rule not only threatens them, but their children. An under-employed or unemployed NCP who loses SNAP may need to divert his or her income from child support payments in order to stay afloat financially, which would be particularly devastating given that child support represents more than half of the income of the families in poverty who

receive it<sup>viii</sup>. Based on the Department of Child Support Services' data from the 2018 federal fiscal year, over \$2.4 billion in child support payments were made in California<sup>ix</sup>. Eliminating SNAP benefits for several NCPs in California will have a large impact on the amount of child support payments made, which will likely result in several custodial parents requiring other public assistance such as TANF and/or Medicaid in addition to SNAP, thus increasing rather than reducing overall spending and program costs.

**Children impacted by the opioid crisis:** Today, more than 2.5 million children are being raised by their grandparents or other relatives, in part because families are dealing with parental alcohol and substance abuse issues, which are growing rapidly due to the opioid epidemic<sup>x</sup>. The adults who provide informal kinship care for children impacted by substance abuse issues may not do so on a consistent schedule, however. As a result, they may face obstacles in securing an



exemption from ABAWD time-limits. If they lose access to SNAP in the face of tightened waiver requirements, the children they care for could experience increased poverty and food insecurity as a result. In 2017, the U.S. Department of Health and Human Services declared the nation's opioid epidemic a national emergency, thus any policy changes impacting food security for individuals linked to children can result in the increased need for other public services such as Medicaid, TANF, and even Foster Care. According to the California Department of Public Health, in California alone, over 21 million opioids were prescribed in 2017<sup>xi</sup>.

### **Impact on health care costs**

Research demonstrates that SNAP reduces health care utilization and costs.<sup>xii, xiii, xiv</sup>. For example, a national study revealed that SNAP participation was associated with lower health care costs<sup>xv</sup>. On average, low-income adults participating in SNAP incurred nearly 25 percent less in health care costs in 12 months, including those paid by private or public insurance, than low-income

adults not participating in SNAP. Data show that since the implementation of the Affordable Care Act expansion in California, Medicaid spending per enrollee has decreased with California exhibiting per capita health spending well below the national average<sup>xvi</sup>. Changes to food security policy for the ABAWD population will drive this cost up over time and the purported "savings" from SNAP will result in additional funds being spent per capita on Medicaid.

### **Conclusion**

The Administration's proposed rule ignores the recent actions of Congress, which just concluded a review and reauthorization of SNAP in the 2018 Farm Bill. The House and Senate chose to maintain the structure of the current waiver authority and increase funding for SNAP Employment and Training programs to provide additional opportunities for ABAWD's and other SNAP participants. The NPRM ignores those bipartisan actions. The rules governing areas' eligibility for waivers and individual exemptions have been in place for nearly 20 years. In that time, the waiver rules have proven to be reasonable, transparent, and manageable for states and counties to operationalize and respond to individuals living in high unemployment areas.

The Department provides little analysis to explain its conclusions about the impacts the changes would have on individuals and population groups nor of realistic plans to avert harm from those changes. USDA merely asserts its expectation that two-thirds of those individuals made newly subject to the time limit "would not meet the requirements for failure to engage meaningfully in work or work training." Moreover, while the Department concedes that the





**CWDA**

Advancing Human Services  
for the Welfare of All Californians



proposed changes “have the potential for disparately impacting certain protected groups due to factors affecting rates of employment of these groups, [it] find[s] that implementation of mitigation strategies and monitoring by the Civil Rights Division of FNS will lessen these impacts.” But no explanation of the mitigation strategies and monitoring is provided, so there is no opportunity for us to comment on whether the acknowledged disparate impact will in fact be mitigated.

Both CSAC and CWDA strongly oppose the proposed rule that would expose even more people to the arbitrary SNAP food cutoff policy and harm our communities. Our members are ready to work with the USDA improve the SNAP program so that it supports all eligible individuals and families and moves them into gainful employment whenever possible. The proposed rule is contrary to that goal and should be withdrawn.

Sincerely,

Justin Garrett  
Legislative Representative  
California State Association of Counties

Frank Mecca  
Executive Director  
County Welfare Directors Association



**CWDA**

Advancing Human Services  
for the Welfare of All Californians



- <sup>i</sup> <http://www.cafoodbanks.org/hunger-factsheet>
- <sup>ii</sup> [https://www.cbpp.org/sites/default/files/atoms/files/snap\\_factsheet\\_california.pdf](https://www.cbpp.org/sites/default/files/atoms/files/snap_factsheet_california.pdf)
- <sup>iii</sup> [https://www.cbpp.org/sites/default/files/atoms/files/snap\\_factsheet\\_california.pdf](https://www.cbpp.org/sites/default/files/atoms/files/snap_factsheet_california.pdf)
- <sup>iv</sup> [https://www.edd.ca.gov/About\\_EDD/pdf/urate201903.pdf](https://www.edd.ca.gov/About_EDD/pdf/urate201903.pdf)
- <sup>v</sup> U.S. Department of Health and Human Services Office of the Assistant Secretary for Planning and Evaluation, “How Many Families Might be Newly Reached By Child Support Cooperation Requirements in SNAP and Subsidized Child care, and What Are Their Characteristics?”, July 2018, <https://aspe.hhs.gov/pdf-report/how-many-families-might-be-newly-reached-child-support-cooperation-requirements-snap-and-subsidized-child-care-and-what-are-their-characteristics>
- <sup>vi</sup> U.S. Census Bureau, “Custodial Mothers and Fathers and Their Child Support: 2015 Current Population Survey,” April 2016, Table 4, <https://www2.census.gov/programs-surveys/demo/tables/families/2015/chlds15.pdf>
- <sup>vii</sup> Ibid. at 7
- <sup>viii</sup> Heather Hahn, “Navigating Work Requirements in Safety Net Programs: Potential Pathways for Parents,” The Urban Institute, January 2019, [https://www.urban.org/sites/default/files/publication/99479/navigating\\_work\\_requirements\\_in\\_safety\\_net\\_programs\\_o.pdf](https://www.urban.org/sites/default/files/publication/99479/navigating_work_requirements_in_safety_net_programs_o.pdf)
- <sup>ix</sup> <http://www.childsup.ca.gov/portals/o/resources/docs/reports/2018/ff2018performancedata.pdf>
- <sup>x</sup> Generations United, “In Loving Arms: The Protective Role of Grandparents and Other Relatives in Raising Children Exposed to Trauma,” 2017.
- <sup>xi</sup> <https://discovery.cdph.ca.gov/CDIC/ODdash/>
- <sup>xii</sup> Gregory, C. A., & Deb, P. (2015). Does SNAP improve your health? *Food Policy*, 50, 11-19.
- <sup>xiii</sup> Berkowitz, S. A., Seligman, H. K., Rigdon, J., Meigs, J. B., & Basu, S. (2017). Supplemental Nutrition Assistance Program (SNAP) participation and health care expenditures among low-income adults. *JAMA Internal Medicine*, 177(11), 1642-1649
- <sup>xiv</sup> Seligman, H. K., Bolger, A. F., Guzman, D., Lopez, A., & Bibbins-Domingo, K. (2014). Exhaustion of food budgets at month’s end and hospital admissions for hyperglycemia. *Health Affairs*, 33(1), 116-123.
- <sup>xv</sup> Berkowitz, S. A., Seligman, H. K., Rigdon, J., Meigs, J. B., & Basu, S. (2017). Supplemental Nutrition Assistance Program (SNAP) participation and health care expenditures among low-income adults. *JAMA Internal Medicine*, 177(11), 1642-1649
- <sup>xvi</sup> <https://www.chcf.org/publication/california-health-care-spending/>