

Improving Family Economic Security Through Access to Nutritional Assistance: State-Level Flexibilities for SNAP

April 15th, 2023



National Center for Children in Poverty

Bank Street Graduate School of Education

SNAP is the “transfer” social program that has provided the greatest support for low-income families in recent years.

- The Food Stamp Program (FSP or Supplemental Nutritional Assistance or SNAP) is a federal program under the USDA, generally reauthorized in Congress annually as part of a Farm Bill.
- It is a key support to those in deep poverty (often through categorical eligibility) and also to the working poor, including those employed by the informal economy who often don't make a living wage.
- A critical support to parents and children (and others) during and after events like the pandemic: “inflation cooling down” doesn't mean food costs have come back down, only that they stopped increasing.
- Note: Eligibility for SNAP may confer automatic eligibility for other essential nutritional supports to families with children, including WIC, the School Breakfast Program, and the National School Lunch Program.

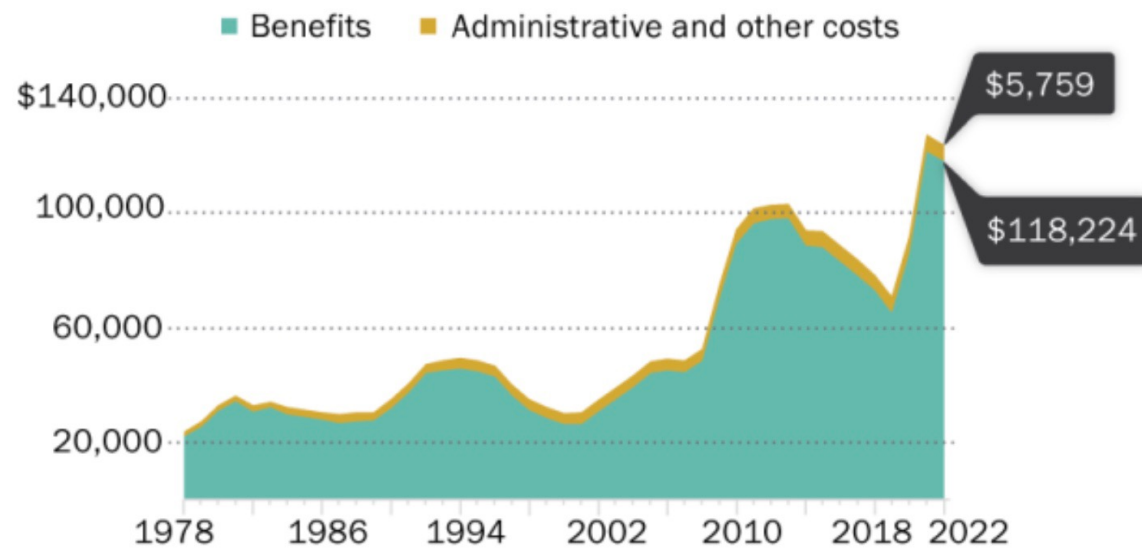


National Center for Children in Poverty

Bank Street Graduate School of Education

In contrast to TANF cash assistance, SNAP provision has vastly increased across the U.S.

Federal SNAP spending, in millions of constant 2023 dollars



National Center for Children in Poverty

Bank Street Graduate School of Education

Calculation of SNAP benefits under federal guidelines includes “family-friendly” provisions

Benefit amounts are based on “adjusted income,” which is the total of countable earned income and countable unearned income, minus deductions that include 20% of earned income.

These deductions are also allowed:

- **Childcare expenses** (no cap)
- A standard deduction based on the size of the household (so larger if more children)
- A **portion of medical costs** for qualified expenses among elderly or disabled household members (usually those receiving SSI)
- Legally owed **child support payments** (states can make this an **exclusion** instead)

Net income is then calculated as adjusted income minus an “**excess shelter costs**” deduction, if applicable to the household.



National Center for Children in Poverty

Bank Street Graduate School of Education

Federal guidelines on eligibility for SNAP

Federal eligibility guidelines direct that states will provide the benefit to families that pass these three tests:

- 1) Gross income must be less than 130% FPL (or \$2,797/month for a family of three in 2024);
- 2) Net income (after some deductions and exemptions) must be less than 100% FPL (or \$2,152/month for a family of three in 2024); and
- 3) Cash assets must be under \$2,750.



National Center for Children in Poverty

Bank Street Graduate School of Education

What is federal or traditional “categorical eligibility” for SNAP?

- **Traditional categorical eligibility** under federal guidelines means that a household receives food stamps *without* fulfilling admin requirements, when every member is already receiving assistance from either TANF, SSI, or GA.
- This type of **categorical eligibility** can help both program applicants and benefit administrators by reducing the costs and procedures normally required for SNAP applications, sometimes referred to as “administrative costs.”
- All states have to follow the federal rules for **categorical eligibility**, and/but some states take advantage of flexibilities to extend categorical eligibility to more households.



National Center for Children in Poverty

Bank Street Graduate School of Education

Variation of access to SNAP eligibilities through state flexibilities is significant.

States can increase the number of families that receive the benefit through **Broad-Based Categorical Eligibility** (BBCE). States that adopt the BBCE framework are called “BBCE states.”

State administrators in BBCE states generally need to establish that a household is BBCE-eligible because of participation in a non-cash TANF program; this can be accomplished by providing a member of the household with a flyer or pamphlet for the program.



National Center for Children in Poverty

Bank Street Graduate School of Education

Three Pathways to Initial SNAP Eligibility

Federal Pathways		State Pathway With Flexibilities
A. Standard	B. Traditional* Federal Categorical Eligibility	C. Broad-Based Categorical Eligibility (BBCE)
Available to all US citizens and those with sufficient immigration status who meet the requirements below.	Available to households in which every member receives cash assistance through either TANF, SSI, or General Assistance.	Available in states that adopt BBCE to households considered BBCE-eligible; states choose which of the following changes to make to requirements from column A.
R e q u i r e m e n t s		
130% FPL gross income limit (~34K/year fam of 3)	No eligibility tests; recipients have already qualified for programs (like TANF) with more stringent requirements.	• Option: Extend gross income limit as high as 200% FPL (~\$52K/year fam of 3)
\$2,750 asset limit in cash or bank accounts		• Option: Increase or remove asset limit
100% FPL net income limit		• Option: Remove net income limit



National Center for Children in Poverty

Bank Street Graduate School of Education

Federal law enables BBCE states to soften eligibility guidelines for food stamp applicants

Federal guideline	How BBCE states can soften the federal guideline
Gross Income Limit: Household income must not exceed 130% FPL (\$2,797/month for a family of three in 2024)	Increase the Gross Income Limit up to 200% FPL (\$4,303/month for a family of three in 2024).*
Asset Limit: Individual or family assets must not exceed \$2,750 **	<ul style="list-style-type: none">• Raise the asset limit above \$2,750; or• Remove the asset limit altogether ***



National Center for Children in Poverty

Bank Street Graduate School of Education

Many (not all) BBCE states provide SNAP to families earning up to 200% FPL, and many remove the asset limit

Kentucky's Food Stamps (SNAP) Policy		
Flexibility	Current policy	Potential improvement
WHO IS ELIGIBLE FOR FOOD STAMPS?		
Gross income limit How much can family members earn while being eligible?	\$4,303*/month (200% FPL 2024 for a family of three).	n/a
Asset Limit How many assets can families retain in savings while still being eligible for food stamps?	There is no limit on savings for families that are BBCE-eligible.	n/a



National Center for Children in Poverty

Bank Street Graduate School of Education

Some BBCE states do not adjust flexibilities in support of families

Alabama's Food Stamps (SNAP) Policy		
Flexibility	Current policy	Potential improvement
WHO IS ELIGIBLE FOR FOOD STAMPS?		
Gross income limit How much can family members earn while being eligible?	\$2,797 (or 130% FPL in 2024*) for a family of three with children.	Consider extending gross income limit to 200% FPL for BBCE-eligible families, as many other states have done (e.g., Louisiana).
Asset Limit How many assets can families retain in savings and other accounts while still being eligible for food stamps?	\$2,750	Remove the asset limit so that households <u>with children</u> can retain savings in order to receive nutritional support (e.g., Georgia). Alternatively, increase the asset limit (e.g., Texas allows \$5,000).



National Center for Children in Poverty

Bank Street Graduate School of Education

BBCE states choose which eligibility limits to adjust

South Carolina's Food Stamps (SNAP) Policy		
Flexibility	Current policy	Potential improvement
WHO IS ELIGIBLE FOR FOOD STAMPS?		
Gross income limit How much can family members earn while being eligible?	\$2,797 (or 130% FPL in 2024*) for a family of three with children.	Consider extending gross income limit to 200% FPL for BBCE-eligible families, as many other states have done (e.g., Louisiana).
Asset Limit How many assets can families retain in savings and other accounts while still being eligible for food stamps?	There is no limit on the funds families can retain in checking and savings accounts, etc.	n/a



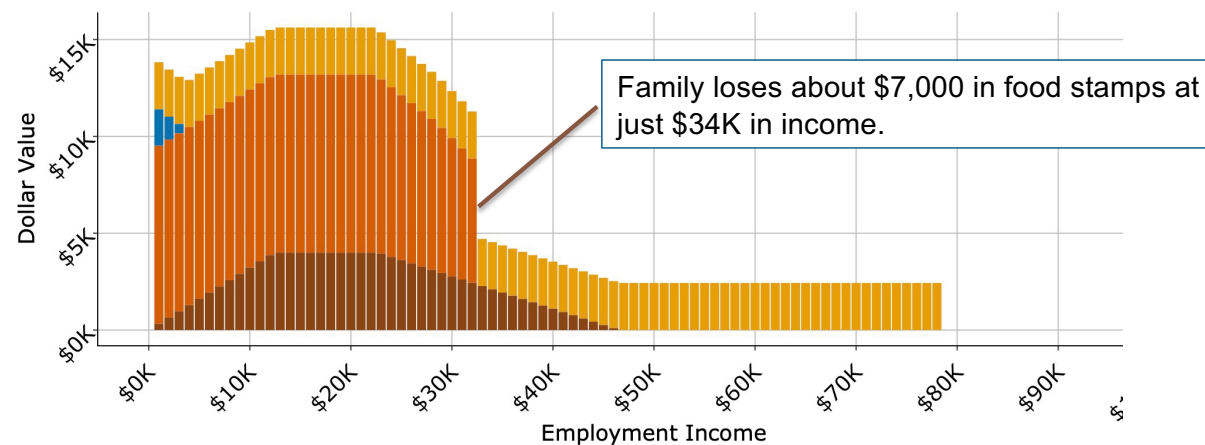
National Center for Children in Poverty

Bank Street Graduate School of Education

Benefit cliffs from the loss of SNAP are higher in states where the income eligibility threshold remains at 130% FPL (e.g., Alabama)

PUBLIC ASSISTANCE BY EMPLOYMENT INCOME

The chart below shows the dollar value and composition of public assistance at different income levels. As income increases, the value of each selected public assistance program changes. For some programs, the value of public assistance gradually phases out, while for others the loss is sudden.



Macon C

Program: ■ Medicaid for Children/CHIP ■ TANF ■ SNAP ■ EITC



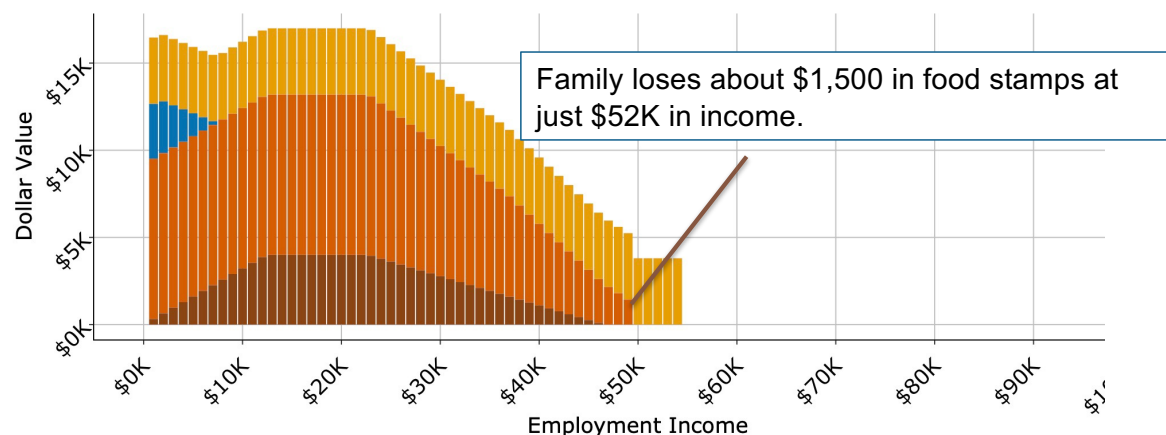
National Center for Children in Poverty

Bank Street Graduate School of Education

Benefit cliffs from the loss of SNAP are much smaller in states where the income eligibility threshold has been extended to 200% FPL (e.g., Kentucky)

PUBLIC ASSISTANCE BY EMPLOYMENT INCOME

The chart below shows the dollar value and composition of public assistance at different income levels. As income increases, the value of each selected public assistance program changes. For some programs, the value of public assistance gradually phases out, while for others the loss is sudden.



Bullitt Co

Program: ■ Medicaid for Children/CHIP ■ TANF ■ SNAP ■ EITC



National Center for Children in Poverty

Bank Street Graduate School of Education

What is the significance of Broad-Based Categorical Eligibility for families with children?

When in 2019 the administration proposed extensive cutbacks to the flexibilities afforded under BBCE provisions, the Urban Institute offered this analysis in response:

- “If the changes are implemented....**over two million people living in families with children would lose access**” to SNAP, or 7% of households with children.
- Such a policy change would have had greatly varying impacts in different parts of the country. In California, 10% of households receiving SNAP would have lost their eligibility, for a total of almost 200,000 households; in other states that proportion was higher (17% in North Dakota). Of course, in non-BBCE states the level was 0%.
- **Children in such households could also “lose automatic certification for free and reduced-price lunches** through the National School Lunch Program...” because SNAP eligibility often makes children eligible for school-based nutritional support.



National Center for Children in Poverty

Bank Street Graduate School of Education

Questions or stories that are BBCE-related?

Q. Do you have experience advocating for BBCE adoption in your state, or around one of the flexibilities that BBCE provides states?



National Center for Children in Poverty

Bank Street Graduate School of Education

Arguments against BBCE can be countered.

Detraction	In Support of BBCE
Expanding access to food stamps deprives those truly in need.	High costs of living with low wages (and minimal cash assistance) creates extremely difficult conditions for parents and children living “near” poverty (between 100% to 200% FPL). Food insecurity is often the result, even for families above FPL.
Providing SNAP benefits to more families makes parents less willing to participate in work.	Extending the SNAP eligibility threshold higher (to 200% FPL) minimizes benefit cliffs, thereby reducing disincentives to workforce participation.



National Center for Children in Poverty

Bank Street Graduate School of Education

Examples of other state-specific rules that support access to SNAP

- Offering “transitional SNAP” to families exiting TANF
- Maintaining a child support exclusion from income considerations (rather than just a deduction)
- Eliminating or softening the ban on parents with convictions for drug-related felony crimes
- Use of state funding to expand eligibility for food stamps to some federally ineligible immigrants (e.g., those awaiting work authorization)
- Altering administrative procedures that may constitute barriers to parents of eligible families



National Center for Children in Poverty

Bank Street Graduate School of Education

South Carolina does not currently provide SNAP as a Transitional Benefit Alternative (TBA) for families leaving TANF cash assistance.

South Carolina's Food Stamps (SNAP) Policy		
Flexibility	Current policy	Potential improvement
WHO IS ELIGIBLE FOR FOOD STAMPS?		
Transitional Benefit Alternative Does South Carolina provide families who are losing TANF cash assistance with automatic SNAP eligibility for a few months?	No.	Consider providing TBA to families transitioning from TANF cash assistance, as other states are doing (e.g., North Carolina, Georgia).



National Center for Children in Poverty

Bank Street Graduate School of Education

Alaska does not treat child support payments as exclusions from income when determining eligibility.

Alaska's Food Stamps (SNAP) Policy		
Flexibility	Current policy	Potential improvement
ADDITIONAL RULES AND RESTRICTIONS		
Treatment of child support payments to non-household members as income exclusions rather than deductions Does Alaska treat child support payments made to non-household members as an income exclusion rather than a deduction?	No.	Enable more families to qualify for SNAP by treating child support payments as income exclusions in the eligibility process (e.g., Washington, South Dakota).



National Center for Children in Poverty

Bank Street Graduate School of Education

A number of states have modified the ban on SNAP eligibility for parents with previous drug-related convictions

Indiana's Food Stamps (SNAP) Policy		
Flexibility	Current policy	Potential improvement
ADDITIONAL RULES AND RESTRICTIONS		
<p>Lifted the lifetime ban on eligibility for those with drug-related convictions?</p> <p>Are those with past convictions for drug-related crimes eligible for SNAP benefits in Indiana?</p>	<p>Indiana has modified the ban, so that those convicted of drug felonies are eligible if compliant with post-conviction or current or current supervision including probation, parole, re-entry programs, etc.</p>	<p>Consider dropping the ban entirely, as many states have done (e.g., Illinois, Iowa).</p>



National Center for Children in Poverty

Bank Street Graduate School of Education

Washington's Food Assistance Plan provides special support for immigrants who might not qualify

ADDITIONAL RULES AND RESTRICTIONS		
Extending eligibility to some federally ineligible noncitizens using state assistance programs		
Has Washington extended SNAP eligibility to immigrants who are ineligible for SNAP under federal guidelines?	Yes. Some immigrant families who are ineligible under federal guidelines can qualify for the state's Food Assistance Plan.	n/a



National Center for Children in Poverty

Bank Street Graduate School of Education

Barriers to on-going access: administrative flexibilities

- Offer online services for all application processes (i.e., initial application, change reporting, and renewal)
- Extend recertification period to at least 12 months for all eligible families (from six months)
- Simplify income reporting (i.e., only required when income rises above eligibility limit)



National Center for Children in Poverty

Bank Street Graduate School of Education

Improving administrative processes can be an excellent way to expand SNAP participation in your state.

New Mexico's Food Stamps (SNAP) Policy		
Flexibility	Current policy	Potential improvement
ADMINISTRATIVE REQUIREMENTS		
Online services for all application processes Does New Mexico offer online services for initial benefit application, reporting of changes, and renewal?	Only for initial application.	Consider providing online services for parents to report income changes and renew benefits, as many others states have done (e.g., Colorado, Nebraska).
Less frequent recertification periods Has New Mexico extended the recertification period to 12 months for all recipients?	Yes.	n/a



National Center for Children in Poverty

Bank Street Graduate School of Education

Work requirements and SNAP: federal exemptions

- Caring for a child under six
- Working for at least 30 hours for at least minimum wage
- Meeting work requirements for another program (like TANF)
- Participating regularly in drug or alcohol treatment
- Studying in school or a training program at least half-time (for college students,* the rules are different)



National Center for Children in Poverty

Bank Street Graduate School of Education

States' investment in SNAP access protects against child maltreatment

A study examined foster care and CPS caseload data (from 2004-2016) in each state in relationship with five “generosity” variables including use of BBCE to **increase or eliminate the asset test or increase the gross income limit, maintaining the child support exclusion, providing transitional SNAP to families losing TANF, and simplified income reporting.** It found that a state’s count of generous SNAP policies was associated with **a reduction in CPS reports accepted for investigation.** Each additional generosity policy in a state was associated with **significantly fewer total foster care placements** in that state.

Johnson-Motoyama, M., Ginther, D. K., Oslund, P., Jorgenson, L., Chung, Y., Phillips, R., ... & Sattler, P. L. (2022). Association between state Supplemental Nutrition Assistance Program policies, child protective services involvement, and foster care in the US, 2004-2016. *JAMA network open*, 5(7), e2221509-e2221509.



National Center for Children in Poverty

Bank Street Graduate School of Education

Investment in SNAP has been found to yield large long-term benefits across multiple outcomes

“Using variation from the county-level roll-out of the Food Stamps Program [FSP] between 1961 and 1975, we find that **children before age five experience an increase of 6 percent of a standard deviation in their adult human capital, 3 percent of a standard deviation in their adult economic self-sufficiency, 8 percent of a standard deviation in the quality of their adult neighborhoods, 0.4 percentage-point increase in longevity, and a 0.5 percentage-point decrease in likelihood of being incarcerated....** Food Stamps’ transfer of resources to families is a highly cost-effective investment into young children, yielding a marginal value of public funds of **approximately 56.**”

Bailey, M. J., Hoynes, H. W., Rossin-Slater, M., & Walker, R. (2020). *Is the social safety net a long-term investment? Large-scale evidence from the food stamps program* (No. w26942). National Bureau of Economic Research



National Center for Children in Poverty

Bank Street Graduate School of Education

SNAP is a cornerstone policy for economic justice, with important racial economic equity implications

“The Food Stamp Program expansion [from 1968 to 2019] reduced the likelihood of poverty for all adults by 5 percentage points, with the strongest reductions found for Black adults whose parents did not have a high school degree. The Food Stamp Program **reduced deep poverty in adulthood by 9 percentage points for Black adults with less-educated parents**, stronger than the effects for White adults and for Black adults with more-educated parents. **The findings suggest that income transfers that reduce poverty during childhood can contribute to reduced poverty in adulthood, and also reduce racial gaps therein.**”

Glasner, Benjamin, Ronald B. Mincy, Zachary Parolin, and Christopher Wimer. 2023. [“The Effectiveness of the Food Stamp Program at Reducing Racial Differences in the Intergenerational Persistence of Poverty.”](#) Working paper, Washington Center for Equitable Growth.



National Center for Children in Poverty

Bank Street Graduate School of Education

Some final points about SNAP.

- **42 states plus the District of Columbia** have taken the step of adopting BBCE. In the other eight states, individuals and households will still qualify for traditional categorical eligibility if everyone in the household receives either TANF cash assistance or SSI. This is a federal guideline that states must follow.
- **Benefit interactions:** TANF cash assistance benefits serve as “countable unearned income” in benefit calculations for SNAP, so that higher TANF benefits result in somewhat reduced SNAP benefits; this is not a 1:1 relationship, however.



National Center for Children in Poverty

Bank Street Graduate School of Education

Questions or goals?

Q. Any questions about what was presented here?

Q. Any particular flexibility you are hoping to work on in your state?



National Center for Children in Poverty

Bank Street Graduate School of Education

Reminder: Open-format SNAP meeting

We hope to see you on May 1st at 11am for an open-format meeting with other FES Community members to discuss advocacy around SNAP flexibilities.



National Center for Children in Poverty

Bank Street Graduate School of Education

Thank you for listening, and thank you for the work you do.

Acknowledgements: **Mandy Ableidinger** and the Alliance for Early Success.
Also **Sheila Smith**, along with **Sophie Nguyen, Veronique Yeo, Cecilia Salazar,**
and **Lauren Hecht** of NCCP.
And **Erin Melton** of Kansas Action for Children.

Karen Chatfield, Director of Family Economic Security

kchatfield@bankstreet.edu



National Center for Children in Poverty

Bank Street Graduate School of Education