

# Thousands of Minnesotans Would Lose Basic Food Support Under U.S. House Proposal

## Federal Proposal Would Make Harmful and Unnecessary Changes to Food Assistance

In September, the U.S. House is expected to consider a proposal to drastically reduce basic food assistance. The Supplemental Nutrition Assistance Program (SNAP) would be cut by about \$40 billion over 10 years, eliminating food assistance for 4 to 6 million Americans, including roughly 170,000 veterans. At least 41,000 Minnesotans are estimated to be hurt by this proposal.<sup>1</sup>

The proposal makes a number of misguided changes to SNAP that would end basic food assistance for millions of Americans – primarily for people who are unable to find work during these tough economic times.

- It ends food assistance for people who can't find jobs in areas with high unemployment. Currently, jobless adults without children in the home can receive SNAP for just three months in a three-year period if they are not working or in a job training program. States can ask to temporarily waive these requirements in areas with high unemployment. In the recent recession, nearly every state received such an exemption. This proposal ends this option, cutting off food assistance to 2 to 4 million jobless Americans in areas with high unemployment.
- It allows states to enact additional, unnecessarily strict work requirements. The proposal allows states to cut off SNAP benefits to most jobless adults even those who want to work but cannot find jobs. Such provisions are not necessary: the majority of those receiving SNAP benefits who can work are working. States already have the authority to put work requirements on parents, in addition to the federal three-month time limit on assistance that applies to childless adults.
- It takes away state flexibility. The proposal eliminates a provision in current SNAP rules that allows states to provide SNAP to households with gross incomes up to 165 percent of the federal poverty line (\$32,225 for a family of three) and to eliminate the asset limit. Most of those who benefit from this provision are low-income working families and seniors. Under the proposal, the income limit would drop to 130 percent of the federal poverty line and an asset limit would be reinstated. Asset limits can prevent struggling Minnesotans from getting the help they need, and prevent them from having emergency savings or a reliable car to get to and from work. Many children would lose access to free school meals because their eligibility is tied to the household's SNAP status.

# **SNAP Provides Critical Support to Families and the Economy**

The proposed cuts are especially damaging at a time when many Minnesotans are still trying to recover from the economic downturn. Currently, one in 10 Minnesotans use SNAP to provide food for their families. That's 556,692 parents, children, seniors, people with disabilities, and others.<sup>2</sup>

The majority of SNAP participants who are able to work *are* working, but don't make enough to consistently feed their families. Two-thirds of families with children receiving SNAP report income from work, earning an average of \$1,609 per month. That only adds up to \$19,308 for year-round work. Forty percent of adults eligible for SNAP are in households with children.<sup>3</sup>

When families with these low earnings struggle to meet basic needs, SNAP helps them put food on the table. On average, SNAP provides about \$8 a day for a household and \$4 for a person. This provides an important boost to their purchasing power and allows them to buy healthy foods that help adults to succeed in the workforce, children to focus in school, and seniors to have enough to eat to stay healthy.

In FY 2012, \$750 million in SNAP was spent in Minnesota, benefiting families, local farmers and grocers. But the economic benefit to the state does not end there: Moody's Analytics estimates that in a weak economy, every dollar increase in SNAP generates about \$1.70 in economic activity.<sup>5</sup>

## **Policymakers Should Reject Drastic Cuts to Food Assistance**

The proposed cuts are in addition to a \$5 billion benefit cut for all SNAP participants that is scheduled to take effect in November, creating a devastating double whammy for struggling families and our communities. <sup>6</sup>

The Supplemental Nutrition Assistance Program is an important investment in Minnesota's families and a boost to the state economy. The proposed cuts would increase hunger among Minnesotans who still struggle to put food on the table during the slow economic recovery.

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<sup>&</sup>lt;sup>1</sup> Center on Budget and Policy Priorities, <u>House Leadership SNAP Proposal Would Eliminate Food Assistance for 4 Million to 6 Million Low-Income People</u>, August 2013.

<sup>&</sup>lt;sup>2</sup> U.S. Department of Agriculture, Food and Nutrition Service, <u>Supplemental Nutrition Assistance Program: Number of Persons Participating</u>, August 2013.

<sup>&</sup>lt;sup>3</sup> Minnesota Department of Human Services, <u>Characteristics of People and Cases on the Supplemental Nutrition</u>
<u>Assistance Program: December 2012</u>, April 2013.

<sup>&</sup>lt;sup>4</sup> Data calculated using U.S. Department of Agriculture, Food and Nutrition Service, <u>Program Data: Latest Available Month – State Level Participation & Benefits</u>, August 2013.

<sup>&</sup>lt;sup>5</sup> Moody's Analytics, Global Policy Prescriptions: How Another Recession Can Be Avoided, August 2011.

<sup>&</sup>lt;sup>6</sup> Center on Budget and Policy Priorities, <u>SNAP Benefits Will Be Cut for All Participants in November 2013</u>, August 2013.