



23 September 2019

The Honorable Sonny Perdue, Secretary
U.S. Department of Agriculture
Washington D.C.

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

Dear Secretary Perdue,

United Way Worldwide appreciates the opportunity to comment on the proposed rule change to categorical eligibility for the Supplement Nutrition Assistance Program (SNAP). We are deeply concerned the impact this rule change to SNAP will have on working families already struggling.

United Way brings together the caring power and resources of over 1100 communities in the United States and 41 countries across the globe. We fight for the health, education and financial stability of every person in every community, which includes making sure everyone has access to affordable, nutritious food.

SNAP is a vital, short-term lifeline that keeps food on the table for 40 million Americans who are forced to make tough decisions between food, gas and rent on fixed budgets. In the proposed rule change, the policy known as Broad-Based Categorical Eligibility would be eliminated resulting in over 3 million struggling Americans becoming more food insecure and less financially stable. Because of this rule change, children already facing hunger at home would no longer be able to access free school meals. Administrative costs would increase, and the system carefully constructed to encourage efficiency in the SNAP program would suffer.

State Flexibility and Administrative Efficiency

Eligibility for SNAP is determined at the household level, which is defined as a single individual or a group of individuals living together. As SNAP is a mandatory program, any household that meets the eligibility criteria is granted access to benefits. The level of support a household receives depends on household size and income and is structured to target the neediest households¹.

The two primary mechanisms for determining SNAP eligibility are financial and categorical. Applicants are financially eligible if they meet federal gross and net income levels, and certain asset limits. **Categorical eligibility** enables states to allow households that participate in means-tested programs like Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), or state General Assistance (GA), to automatically enroll in SNAP, without determining their financial eligibility.

Beyond traditional categorical eligibility, states also have the option to implement **Broad-Based Categorical Eligibility (BBCE)**, whereby households that receive a TANF *benefit or service*



can also automatically enroll in SNAP. As these participants have already met the eligibility requirements for the means-tested programs, BBCE enables state agencies the flexibility to streamline the administrative process for SNAP – preserving often limited resources and capacity.

Additionally, states can set the income limit for households to receive TANF benefits or services; limits vary but may not exceed 200 percent of Federal Poverty Level, or about \$42,600 for a family of three. States that choose to implement **BBCE**, which allows SNAP enrollment for households that receive a TANF-funded **benefit or service**, are therefore drawing on the guidelines already determined to best suit the needs of the state.

Further, those that qualify for SNAP through BBCE must still meet the federal income limit for SNAP benefits but are simply exempted from asset-limit tests (unless prescribed by the state). As of October 2018, 43 states use BBCE and six impose asset limits.

Broad-Based Categorically Eligibility Helps Struggling Families to Make Ends Meet

BBCE eligibility allows states to structure asset limit tests so that families, seniors and people with disabilities can maintain modest savings or own their own home, while continuing to combat food insecurity.

SNAP makes targeted, temporary support available to recipients in times of hardship and helps people afford nutritious food so they can stay healthy, which makes it easier to get and keep a job and take care of their families. Children with consistent access to nutritious food have better educational, behavioral and health outcomes. Pregnant mothers give birth to healthier babies, and older Americans who receive SNAP benefits can better afford their prescription medications. And, more than 96 percent of SNAP benefits are issued accurately because of the program's rigorous system to determine eligibilityⁱⁱ.

Conclusion

Elimination of BBCE would overwhelmingly affect working families, children, seniors and people with disabilities – and would punish those seeking to work more hours or establish meager savings in order to become more financially stable and independent. Your agency estimates about 3.1 million Americans would lose SNAP benefits, over 500,000 children will lose eligibility for free school lunch programs, and administrative costs would actually increase by \$2.314 billion as a result of the rule change. Further, main-street economies, participating retailers, and agricultural producers will be adversely affected.

United Way is committed to preserving access to nutritious food, fighting hunger and supporting working families. However, SNAP makes food accessible to hungry families more cost-effectively and at a scale that no independent nonprofit can match. SNAP is a \$65 billion program; United Way raises \$3.6 billion each year across the United States. A 5 percent cut to SNAP would be equivalent to eliminating United Way's entire footprint across America. If SNAP benefits are restricted, food banks that are already stretched thin will be overrun with demand.



We oppose this rule change and ask that the Administration to withdraw the proposed change and continue to work with the non-profit sector for strategies to combat hunger in all corners of the country.

Suzanne McCormick
U.S. President
United Way Worldwide
Alexandria VA

ⁱ This brief does not discuss the benefit calculation and redemption rules. For a primer on benefit calculation and redemption, see pages 14-20 of "Supplemental Nutrition Assistance Program (SNAP): A Primer on Eligibility and Benefits" <http://www.nationalaglawcenter.org/wp-content/uploads/assets/crs/R42505.pdf>

ⁱⁱ <https://fns-prod.azureedge.net/sites/default/files/snap/2014-rates.pdf>