



## Ohio Senate Health, Human Services & Medicaid Committee

December 4, 2018  
Testimony Lisa Hamler-Fugitt  
Sub. H.B. 119

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Good afternoon Chairman Burke, Vice Chair Beagle, Ranking Member Tavares, and members of the Senate Health, Human Services & Medicaid Committee. Thank you for the opportunity to testify today on Sub H.B. 119. My testimony today will be limited to the provisions of the bill pertaining to the SNAP/food stamp program.

My name is Lisa Hamler-Fugitt, and I serve as the executive director of the Ohio Association of Foodbanks, Ohio's largest charitable response to hunger. Last year our non-profit and faith-based network of 3,541 member foodbanks, food pantries, soup kitchens, shelters, supplemental and emergency food charities provided more than 216 million pounds of food to over 2 million low-income working Ohio families and their children, hundreds of thousands of seniors, disabled citizens, young and old veterans who turned to us for the most basic of all human need – food.

The Supplemental Nutrition Assistance Program (SNAP) is the first line of defense against hunger in America – not foodbanks. SNAP is one of the most important social safety net programs and more than half of all benefits are for children. SNAP is frequently misunderstood by both lawmakers and citizens. And now an out-of-state, nationally backed social welfare think tank is pushing state-level legislation, such as Sub HB 119 that creates new barriers, limits access, and establishes additional administrative requirements meant to hinder and/or deny access to these critical food assistance benefits. These bills are being promoted as fraud prevention bills with no empirical evidence to support such claims.

In August 2018, the USDA funded SNAP program provided critical food assistance benefits to 1,401,376 low income Ohioans who were living in 706,916 households<sup>i</sup>. These are the Ohioans who are poor enough to qualify for very modest benefits, which average at about \$121.00 per person per month. In August, SNAP provided \$165,751,658.00 in 100% federally funded food assistance in Ohio<sup>ii</sup>. These benefits can only be used to purchase food at USDA authorized grocery stores and markets. SNAP contributed more than \$2 billion dollars last year to Ohio's economy. USDA has found that SNAP participation correlates with economic cycles. SNAP works, it's well targeted, efficient and effective, and provides a significant ROI. USDA analysis found that every **\$5** in SNAP benefits generates **\$9** in total economic activity<sup>iii</sup>.

***SNAP provides 12 meals to every one meal provided by our Association.***

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The Ohio Association of Foodbanks advocates for, and supports all sound, proven, well researched and reasonable measures that work to protect the integrity of federal programs, especially the SNAP program. The bill before you today, Sub HB119, which the sponsors refer to as the “Protecting Public Assistance Integrity Act” does not meet any of these standards and is bad public policy.

I am here today to share our concerns about provisions contained in Sub HB 119, that may well pose serious threats to a critical nutrition safety net. While groups who have not weighed in publicly on this bill believe that provisions contained in the bill will only codify existing code and practices within the eligibility determination process, Sub HB 119 will likely create new barriers and cut off benefits to the vulnerable children, elderly, disabled and low-income working families the program was designed to help.

Currently, the Ohio Department of Job and Family Services (ODJFS) administers the SNAP program and Ohio Department of Medicaid (ODM) administers Medicaid. These agencies are required by state and federal law to conduct frequent eligibility determinations and are already doing most of the data verifications and matches prescribed in Sub HB 119. But Sub HB 119 takes it a step further by requiring the ODJFS and ODM to perform quarterly eligibility verifications, and to act upon information identified in place of the current annual requirement on the following:

- Household Composition
- Identity
- Citizenship and alien eligibility status
- Social security numbers
- State residency status
- Disability status
- Gross nonexempt income
- Utility expenses
- Medical expenses
- Enrollment status in other state-administered public assistance programs within and outside the state.
- Any available information related to potential identity fraud or identity theft (SNAP only)

Unfortunately, Sub HB 119 goes well beyond the current requirement of federal law<sup>iv</sup> and provides no directive to ODJFS or ODM to report any of the verification information or findings back to members of the Ohio General Assembly or to the Administration about who receives SNAP and their economic situations.

Sub HB 119 will increase the administrative cost of operating the SNAP program and will NOT provide one dime more to feed hungry Ohioans, who may be negatively impacted by these provisions.

Each state is required to match the administrative cost of the SNAP program in a 50/50 share. In FFY 2016, USDA reported that the state of Ohio's share to process a SNAP

application is \$4.12 in GRF funding. Which is a total of \$8.24 per application (state/federal share).<sup>v</sup> Provisions in Sub HB 119 requires ODJFS/CDJFS to conduct quarterly certifications, multiplied by 706,916 SNAP household assistance groups, we estimate the cost for the SNAP provisions in this bill would increase the administrative cost from approximately \$2,912,493.92 (state share) per annual certification to \$11,649,975.70 (state share) per year representing quarterly certification state share. The LSC Fiscal Note on Sub HB 119, does not reflect these projected costs. Sub HB 119 does not aim to help struggling Ohioans gain access to critical health and hunger life lines. Instead, Sub HB 119 proposes to have every dollar spent on the creation of additional barriers to critical food assistance benefits for hungry Ohioans. That is not an investment in Ohio's future and is simply wasted tax dollars.

Sub HB 119 further permits the Departments to contract with one or more independent vendors to provide verification information and requires the departments to explore joining a multi-state cooperative to identify individuals enrolled in benefits in other states. As you may be aware, there is not a federal database to make this process simple. Further, Sub HB 119 permits the Departments to enter memorandum of understandings with any department and/or agency to this provide information. Sub HB 119 also permits, except as prohibited by federal law, the Departments to assign any of the duties described in this section to any county department of job and family services. Does this mean the state can assign all of one county's cases from Union, Franklin, Wood or Cuyahoga counties to another county? This could be viewed as an end run around the county-administered relationship and presumably allows the state to shut down some county offices, which could be extremely problematic for very low-income Ohioans.

Lastly, upon reviewing the history of Sub HB 119, it's clear this legislation is not driven or supported by Ohio based groups or organizations. In fact, the only public testimony provided in support of Sub HB 119, before this committee and in the House Community and Family Advancement Committee, was presented by two staff from an out-of-state organization named Opportunity Solutions Project located in Florida and operating as a funded subsidiary of the Foundation for Government Accountability (FGA).

These FGA funded witnesses touted the experiences and successes of Maine and Kansas, without providing any valid research or evidence to back up their claims. In fact, Maine has a SNAP caseload of just 161,686 recipients and a 11.04% error rate, the 4<sup>th</sup> highest error rate in the nation, and Kansas has just 213,641 recipients. These states do not compare to Ohio's situation or landscape. In closing, the FGA's so-called research studies have been panned by both liberal and conservative economists for cherry-picking data, as detailed in a recent Washington Post article entitled, "They're the think tank pushing for welfare work requirements. Republicans say they're experts. Economists call it 'junk science.'" <sup>vi</sup> Ultimately, have we not already agreed that outsiders to our state should not weigh in on our state's public policy?

In closing, we humbly request that you oppose Sub HB 119, and instead examine the current processes, contracts, procedures, and caseload characteristics in order to establish

a baseline before proceeding with any major changes that may jeopardize access to this critical nutrition lifeline.

In addition, further analysis is needed in order to determine the cost to the state associated with hiring independent vendors to provide information and the cost to join a multi-state cooperative to identify individuals enrolled in benefits in other states.

Thank you for your time and consideration, and I would be pleased to answer any questions you may have at this time.

Respectfully submitted: Lisa Hamler-Fugitt, executive director, Ohio Association of Foodbanks, [Lisa@ohiofoodbanks.org](mailto:Lisa@ohiofoodbanks.org) 614/271-4803.

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<sup>i</sup> SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM: NUMBER OF PERSONS PARTICIPATING November 2018, <https://fns-prod.azureedge.net/sites/default/files/pd/29SNAPcurrPP.pdf>

<sup>ii</sup> SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM: BENEFITS August 2018  
[https://fns-prod.azureedge.net/sites/default/files/pd/31SNAPcurrBEN\\$.pdf](https://fns-prod.azureedge.net/sites/default/files/pd/31SNAPcurrBEN$.pdf)  
<https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap>

<sup>iii</sup> The Real Benefit of SNAP <https://www.snapttohealth.org/snap/the-real-benefits-of-the-snap-program/>

<sup>iv</sup> *federal law doesn't require citizenship verification, enrollment in other programs, reporting of potential fraud.*

<sup>v</sup> Food and Nutrition Service Supplemental Nutrition Assistance Program, Office of Program Accountability and Administration Division September 2017, table 39  
<https://fns-prod.azureedge.net/sites/default/files/snap/FY16-State-Activity-Report.pdf>

<sup>vi</sup> They're the think tank pushing for welfare work requirements. Republicans say they're experts. Economists call it 'junk science.'  
[https://www.washingtonpost.com/news/wonk/wp/2018/05/18/theyre-the-think-tank-pushing-for-welfare-work-requirements-republicans-say-theyre-experts-economists-call-it-junk-science/?utm\\_term=.11cf5b60bc7a](https://www.washingtonpost.com/news/wonk/wp/2018/05/18/theyre-the-think-tank-pushing-for-welfare-work-requirements-republicans-say-theyre-experts-economists-call-it-junk-science/?utm_term=.11cf5b60bc7a)