

Testimony to House Health Committee – Lisa Hamler-Fugitt

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H.B. 200

Chairman Merrin, Vice-Chairman Manning, Ranking Member Boyd, and members of the House Health Committee, thank you for providing me with the opportunity to present testimony on House Bill 200.

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 statewide network of 3,541 non-profit and faith-based member foodbanks, food pantries, soup kitchens, shelters, supplemental and emergency food charities provided more than 216 million pounds of food to about 2 million low-income Ohioans, including hundreds of thousands of seniors and veterans living on low, fixed incomes and disabled neighbors who turned to us for the most basic of all human need – food.

Today in Ohio, 1 in 3 Ohioans are living paycheck to paycheck and many are working several part-time jobs that simply do not allow them to get ahead. Far too many of these families who are living paycheck to paycheck are stuck in low-wage jobs that reduce their ability to break out of poverty.

Yet, according to many accounts, our economy is thriving throughout Ohio and nationally. Unfortunately, the unemployment rate does not tell the entire story. Too many families in Ohio today are one bad accident, layoff, or catastrophe away from the brink and we need to guarantee that when people do hit hard times, they do not go without the basics – housing, food, and medical care.

Our association recognizes that hunger is merely a symptom of poverty and we engage in other efforts to eradicate poverty and hunger. For more than a decade, we have provided services to connect low-income Ohioans with nutrition benefits and other work support programs, including the SNAP program.

Supplemental Nutrition Assistance Program (SNAP) (formerly food stamps) is the first line of defense against hunger in America – not foodbanks.

SNAP provides 12 meals for every 1 meal we provide through our network. **SNAP helps 1 in 9 Ohioans afford a basic diet.** In March 2019, the statewide SNAP caseload was 1,327,188 Ohioans, of which 569,020 were children and 758,168 were adults, representing 661,147 assistance groups. Despite providing modest benefits averaging about \$1.37 per person per meal, it combats food insecurity, alleviates poverty, and has long-term positive impacts on health as well as on children's educational attainment. Ohio SNAP households received an average of \$123.46 in 100% federally funded SNAP benefits per person, per month. Nearly half (43 percent) were children.¹

¹ Ohio Department of Job and Family Services case load Summary Report February 2019

SNAP is one of the most impactful and important of all the federal social safety net programs, and half of all benefits go to feed very poor children. SNAP is 100% federally funded.

Because SNAP benefits are 100% federally funded and will infuse over \$2 billion dollars in direct food assistance into over 9,600 local SNAP authorized stores this year, SNAP creates a ripple effect on Ohio's economy.² Benefits are spent quickly and increase the demand for products and services provided by local businesses, boosting job growth and the economy. Moody's Analytics estimates that every SNAP dollar spent in local communities generates \$1.70 in economic growth.

In order to receive modest SNAP benefits, households must meet stringent eligibility requirements, including resource and income tests. Benefits are limited to a person with net income at or below 100% FPL (monthly net income of no more than \$1,041 per month for a household of one and \$1,409 for a household of two people). The SNAP program also has expansive work and work registration requirements for everyone between 16 to 60 years of age.

In addition, unemployed and underemployed adults aged 18-49 who aren't physically or mentally unable to work, pregnant, or in a household with a minor child, can only receive SNAP for three months in every three years unless they have at least a half-time job or participate in job training for at least 20 hours a week, even if they are looking for work but jobs and job training slots aren't available. States can request a temporary waiver of the time limit in areas with persistently high unemployment or labor surplus areas.

We have several years of firsthand experience in operating a SNAP Work Experience Program that serves only work-mandated unemployed and underemployed Able-Bodied Adults without Dependents in Franklin County, Ohio. Our program began in SFY 2014, when the administration of then-Governor John Kasich eliminated the statewide waiver and instead applied for a limited number of exemptions for only 16 predominantly rural, white counties. The administration did not request exemptions for eligible cities where minority communities are concentrated, and unemployment is high. Ohio had a statewide waiver that had been in place since mid-2000, when the Ohio General Assembly enacted legislation to compel the State of Ohio to apply for and implement the waiver.

The number of people needing a workfare slot or training opportunities FAR exceed the training programs that exist in our state. Establishing workfare slots throughout the state, particularly in remote rural areas, would be extremely difficult, if not impossible. The Ohio Association of Foodbanks knows first-hand how challenging, expensive, and labor intensive this is. As the SNAP Work Experience Program provider in Franklin County, we place work-mandated SNAP recipients at non-profit and faith-based organizations in order for them to meet their work requirements. Our host partner sites have limited capacity to supervise volunteers and workfare slots would be especially limited in rural areas where there are very few, if any, non-profits with paid staff to oversee volunteers and track and report hours.

² <https://www.cbpp.org/snap-is-an-important-public-private-partnership#Ohio>

Current Ohio Landscape

In FFY 2019, there are 38 counties in Ohio where the time limit has been waived due to high unemployment. Based on unemployment data obtained from the U.S. Bureau of Labor Statistics, the 24-month average unemployment rate in each of the counties was greater than 120 percent of the national unemployment rate during the same 24-month period.³

If this bill were to take effect today, any unemployed or underemployed, “able-bodied” adults without dependents in these counties would immediately be subject to a work requirement or lose their SNAP benefits.

Ohio Counties Waived in FFY2019

Adams, Ashtabula, Athens, Belmont, Brown, Carroll, Clinton, Columbiana, Coshocton, Crawford, Cuyahoga, Erie, Gallia, Guernsey, Harrison, Highland, Hocking, Huron, Jackson, Jefferson, Lawrence, Lorain, Lucas, Mahoning, Meigs, Monroe, Morgan, Muskingum, Noble, Ottawa, Perry, Pike, Richland, Ross, Scioto, Trumbull, Vinton, and Washington

Future Landscape

Additionally, the implementation of this bill would take basic food assistance away from tens of thousands of older workers and parents with children over 6 across the state. Local grocery stores would immediately lose potentially millions of dollars in revenue as some counties scramble to implement work training programs and others simply refuse.

In the future, when the next recession inevitably comes, our State will be unable to respond, because this bill bars the State from requesting waivers to the federal work requirement in perpetuity. Not only would this bill take SNAP away from those who have been left out of the current economic recovery, but it will also prevent those impacted by the next economic downturn from getting the help they need.

Americans want to work. This legislation will hurt many who want to work but can't for a whole host of reasons – often because there are no jobs for them.

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, including HB 200, that will create new barriers, limit access, and establish additional work, programmatic, and administrative requirements that are meant to hinder and/or deny access to these critical food assistance benefits. ***HB 200 and similar bills are being touted as reform and fraud prevention bills with no empirical evidence to support such claims.***

Food is necessary to live, remain healthy, and work. **And the federal government pays for basic food assistance through SNAP, not the state.**

Yet, HB 200 proposes to take food off the tables of people struggling to find quality employment—instead leaving them to find a job on an empty stomach.

³ Ohio Department of Job and Family Services FAL- 171 Federal Fiscal Year 2019: Able-Bodied Adults without Dependents <http://ifs.ohio.gov/ofam/FAL-171-FFY-2019-ABAWD-090718.stm>

HB 200 prohibits the Ohio Department of Job and Family Services (ODJFS) from seeking an exemption from the Supplemental Nutrition Assistance Program (SNAP) benefit time limits that apply to able bodied adults without dependents.

HB 200 would eliminate the Governor's and state's ability to ever seek a waiver from the USDA of the time limit for areas with high unemployment or Labor Surplus Areas. This option is the law, not a loophole, and provides states with the ability to waive the three-month time limit that applies to unemployed and underemployed, able-bodied adults without dependents between the ages of 18 and 49 who receive SNAP benefits. The bill goes even further, mandating that Ohio expand the SNAP time limit of three months of benefits in every three-year period to ALL Ohioans between the ages of 18 and 59, including households with children over the age of 6, who are often caregivers for disabled and aging family members and children with special needs.

Those subject to the time limit are diverse, including youth aging out of foster care and other young adults, people of all races, non-custodial parents and parents of grown children, individuals affected by the criminal justice system, and more. Many SNAP recipients face multiple barriers to employment including lack of transportation, low educational attainment, unstable housing, undocumented disability, poor access to jobs, or inadequate employment and training programs.

Cutting off food assistance based on hours worked or the availability of workfare or training programs simply doesn't make sense. It completely fails to acknowledge the challenges many low-wage workers face when trying to find a job that provides enough stable work hours to support themselves and maintain their SNAP benefits.

HB 200 Requires that certain individuals subject to the SNAP work-related eligibility requirements participate in an ODJFS-established employment and training program. Yet, HB 200 fails to provide any additional funding to provide necessary work supports to pay for the cost of childcare, transportation, education and training assistance.

The costs are significant - fiscal notes on similar bills introduced in other states have determined the annual costs are sizable.

- Tennessee's Workfare Bill Fiscal Note sets the cost of a mandated workfare proposal at \$225 million for the state.
- A fiscal note from Montana found the cost of a mandatory workfare proposal at \$8 million for the state.
- Wisconsin set the cost of a mandatory Employment and Training bill at more than \$27 million per year for the state.

HB 200 is HARMFUL and would punish many different types of SNAP participants, including children and their parents, people with disabilities, older workers, and people who are working or in between jobs. The bill goes even further, by prohibiting ODJFS from exercising state options regarding household SNAP income and asset calculation – limiting working Ohioans from saving for an unexpected emergency or to pay for health care, education for themselves and their children, or retirement.

HB 200 would impose harmful penalties that would take food assistance away from those who don't prove every month that they worked, participated in a work program, or qualified for an exemption. An individual who didn't meet all the requirements within a month of receiving SNAP would be kicked off the program.

HB 200 is UNWORKABLE and would require ODJFS to create a new bureaucracy that will likely fail to help people find jobs but is guaranteed to take millions of dollars in food assistance away from the families that need it and the local grocery stores where they would have spent it.

This large-scale proposal to require the state to track the work hours of tens of thousands of SNAP participants each month and offer them a workfare slot would be extremely expensive and burdensome and flies in the face of evidence about how to help people get good-paying jobs.

The state would have to create new reporting and paperwork systems — which will be expensive and hard to navigate for SNAP administrators and participants alike — to track hundreds of thousands of SNAP participants and their hours of employment or participation in work programs every month.

Workers. Despite claims to the contrary, the bill would harm SNAP participants who are already working. Most people who get SNAP and can work do work, and there's already a strict, three-month time limit in place for participants without kids who aren't working 20 hours a week in our state. Those with seasonal or contingent employment, or with fluctuating hours, will have to prove every month that they secured adequate hours from their employer to meet the work requirement, living in fear that if their employer cuts their hours at work, they'll not only lose wages but also lose food assistance.

Older Workers. These harsh new penalties would also apply to older workers between the ages of 50 and 59, who could be hit disproportionately hard. Research shows that older workers face specific challenges to finding a job, including age discrimination, health and ability struggles, and caregiving responsibilities. Re-imposing strict asset limits would also harm older workers who have diligently worked to scrape together meager retirement savings, who would now have to spend down those savings before they could get help with food.

Kids. When kids go hungry, research shows it will harm their long-term health and education. The bill puts kids at risk because its harsh rules and unforgiving penalties would apply to parents with kids ages 6 and up. When parents lose SNAP, that makes it harder for them to feed their kids.

People with health conditions and caregivers. People with physical or mental health conditions — and those caring for family members who are elderly or have disabilities — could have their food assistance taken away because they can't meet the expanded work requirement or struggle to provide written documentation that will prove they should be exempt. Under this proposal, they may end up with neither earnings nor food assistance.

Based on our experience, we know that harsh and arbitrary time limits are misguided and only increase hunger and hardship. This proposed rule is harsh and unfair. It denies vulnerable people food benefits at a time when they most need it and it does not result in increased employment and earnings. By time-limiting food assistance to this group, HB 200 would shift the burden of providing food to these unemployed and underemployed Ohioans off of SNAP and onto charities like ours. We

can't meet the demand for emergency food assistance now – HB 200 will make a bad situation far worse and will increase food insecurity among populations that are suffering from a lack of services, opportunities, and access to basic human needs.

In closing, last December the U.S. House and Senate rejected efforts to impose more restrictions on SNAP eligibility when they passed a bipartisan Farm Bill. Congress demonstrated their strong support of SNAP, as our nation's most effective anti-hunger program that ensures struggling families across our nation have enough to eat.

The association and our members urge this committee to reject HB 200 and vote no on these harmful and wasteful provisions that would take away this vital assistance from struggling families in our state.

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

Respectfully submitted,

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