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Leveraging SNAP to improve worker skills: Testimony to the Senate Finance Health and Medicaid Subcommittee

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Chair Hackett, Vice Chair Tavares, and members of the committee, thank you for the opportunity to testify on a relatively small but important provision in the state budget. My name is Hannah Halbert. I am a researcher with Policy Matters Ohio and I focus on policies that support working poor families.

Ohio ranks sixth in the nation for people living with food insecurity. Amidst this crisis, state policymakers increased work search and work requirements for some SNAP benefits, the supplemental nutrition assistance program once known as food stamps. Broadly, able-bodied adults without dependents (ABAWDs) who are not working, or complying with the SNAP work program for 20 hours or more each week are limited to three months of food assistance every three years. Ohio's current SNAP state plan suggests the vast majority of participants (35,059) will meet their requirements at Work Experience Program (WEP) assignments. Typical WEP placements include janitorial duties, grounds maintenance, office work, or warehouse packing—the kinds of work experience many already reported having in the program.

Despite data showing many SNAP recipients do not have a high school diploma (30 percent of WEP participants in Franklin County), and many have collateral sanctions from prior convictions (35 percent in Franklin County WEP study) the state does not prioritize employment and training to address these barriers. Far fewer recipients (16,400) will receive education and training assistance, which could include literacy skills, vocational training, or post-secondary education. In short, the assistance available to many of these participants does little to address underlying employability barriers or the fact that without training many of the jobs available will not pay enough at the median to alleviate the need for assistance.

Recognizing this need, the Federal Food and Nutrition Service (FNS) has created the <u>SNAP to Skills</u> initiative. Among other suggestions to improve SNAP employment and training services, the program highlights how states can use federal 50 percent reimbursement grants ("50-50 funds") to supplement state or third party partner money spent helping SNAP recipients engage in education and training. These funds can reimburse the state, county, and/or other third party providers on administrative expenses, tuition and fees, case management, career guidance, and job development spent on SNAP recipients. The <u>50-50 funds</u> can also reimburse some participant expenses that other forms of federal SNAP funding cannot: transportation, dependent care, equipment, books, uniforms, or licensing fees. This form of funding is also unique because, there is no cap on the annual federal reimbursements.

The current version of HB 49 sets out a planning process that would enable Ohio can take advantage of these funds. The budget bill also includes \$4 million over the biennium to support related training. We encourage you to continue this commitment to education and skills in the Senate.

The current version of the bill, however, limits funding support to training resulting in short-term credentials. This is overly narrow. Iowa, for example, runs two related programs. One program, Pathways for Academic Career and Employment (PACE) integrates adult education, workforce readiness, and occupations skills training and uses "pathway navigators" to help students understand their career and training options. The Gap Tuition Assistance Program helps cover tuition, training costs, books and equipment, testing fees, and background checks. Both are state-funded programs and eligible matches for SNAP 50 percent reimbursement grants from the federal Food and Nutrition Service. Restricting Ohio's funding to short-term credential training will eliminate the flexibility needed to build such a robust and responsive program. That language should be removed.

SNAP works in Ohio. It reduced the share of participants living in deep poverty by 10 percentage points and increased the share living above the poverty line by 10 percentage points. Without addressing employment barriers, education needs, and the realities of the Ohio labor market, many will not be able to work their way to self-sufficiency. Nearly one-third of Ohio jobs pay a median wage so low it would not keep a family of four out of poverty. Securing work that pays enough to eliminate the need for food assistance is a high bar in our low-wage economy. Adding meaningful education and training into the mix would help.

Thank you for letting me share this program with you. I am happy to take any questions you may have.

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Policy Matters Ohio is a nonprofit, non-partisan research institute with offices in Cleveland and Columbus.