



**Senate Finance Committee
Ohio Department of Job and Family Services
Supplemental Nutrition Assistance Program: Employment and Training Program Redesign
Matt Damschroder, Director
May 21st, 2024**

Chairman Dolan, Vice Chair Cirino, Ranking Member Sykes, and members of the Senate Finance Committee:

I am here today to present the redesign of Ohio's Employment and Training Program for the Supplemental Nutrition Assistance Program (SNAP), as directed in House Bill 33.

The federal government requires all SNAP households to engage in a work requirement unless they are part of an otherwise exempt group. Specifically, able-bodied adults without dependents (ABAWDs) must work 20 hours per week. "Work" includes paid employment, unpaid work (e.g., community service), participating in a Workforce Innovation and Opportunity Act (WIOA) program, or participating in SNAP Employment and Training (SNAP E&T). It is important to remember for purposes of the SNAP E&T redesign that work requirements are, and will remain, inherent to SNAP. Participation in SNAP E&T is only one way to meet the work requirement.

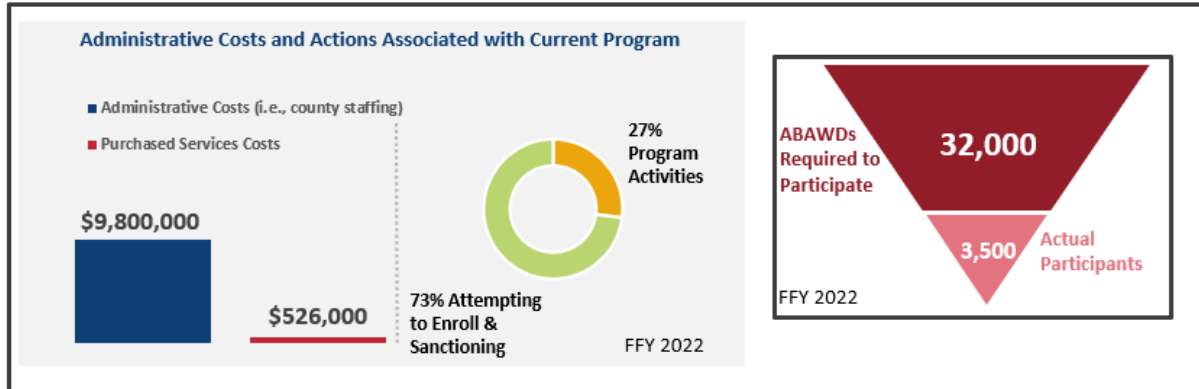
Congress requires each state to run a SNAP E&T program. Ohio receives base funding of approximately \$3 million from USDA for SNAP E&T and can draw down additional funds on a 50/50 match basis. E&T is a companion program to the traditional SNAP food assistance program. The objective of E&T is not only to provide work activities but also training and skills development necessary to help participants become more self-sufficient, advance into better-paying jobs and, ultimately, end reliance on public assistance.

Ohio is one of only eight states with a "mandatory" requirement for all able-bodied adults without dependents to participate in the E&T program – but it's important to remember that the word "mandatory" in this instance is a bit of a misnomer. In mandatory E&T states, the state takes on heightened and costly administrative requirements, and an individual who does not participate in E&T or their work requirements cannot be expeditiously disenrolled from the SNAP program. Too often, when county JFS staff assign an E&T activity to a person, that person says they will attend a training or work activity but fail to show up. This begins a long process in which staff are required to send the person a notice and wait for a response. If and when the person responds, the cycle starts again. This makes the reality of SNAP E&T a never-ending bureaucratic merry-go-round of compliance by our county agencies as opposed to actually helping Ohioans.

The result of this structure is that, in federal fiscal year 2022, only 3,500 of the 32,000 Ohioans required to participate in SNAP E&T were actually enrolled. Of the money set aside for this program, 73% went to

Ohio Department of Job and Family Services
SNAP Employment and Training Program Testimony

administrative costs – namely, attempting to enroll and chasing ABAWDs who are non-compliant but remain on SNAP.



To put a more local lens on it, a metro county that participated in the working group said that of the 1,500 ABAWDs mandated for E&T in their county, only 17 ever showed up to participate. Yet the rest remained on SNAP by virtue of Ohio being a mandatory E&T state. Virtually all that county’s E&T funds were consumed by administrative costs when what the administrators wanted to do was to use those funds to help their county’s SNAP population with employment and training.

As one member of the Governor’s Executive Workforce Board who participated in the work groups commented, “That’s what we in the business community refer to as a bad return on investment.”

House Bill 33 required ODJFS to redesign SNAP E&T to meet the needs of employers and present our changes to the House and Senate Finance Committees. In addition, we received notice from the U.S. Department of Agriculture that Ohio’s E&T plan must change because of its poor results.

Through a rule change already filed with JCARR, we can modernize Ohio’s plan so that this companion employment and training program becomes “voluntary.” This does NOT change the fundamental work requirement inherent to SNAP. Rather, it will allow county JFS staff to focus on individuals who *want* training and assistance. Most E&T funding can then be used for actual services instead of administration. Able-bodied adults without dependents who don’t participate in E&T will still have to meet the work requirement – or be removed from SNAP. A voluntary program will more meaningfully employ both a carrot and a stick.

Our proposal has widespread support. In the fall of 2023, ODJFS formed a work group to discuss Ohio’s redesign project. Members included workforce professionals, county job and family service agency directors, nonprofits, and employers. They have met over 40 times, and their strong recommendation is our proposal as presented.

In the future, Ohioans who really want this assistance will receive it. County job and family service workers and the not-for-profits who partner with them will be better able to concentrate on improving people’s lives instead of mere compliance. And the business community will be more willing to employ E&T participants, knowing that they want to be there. We are confident that our proposal will better meet the needs of Ohio employers as required by HB 33.

Ohio Department of Job and Family Services
SNAP Employment and Training Program Testimony

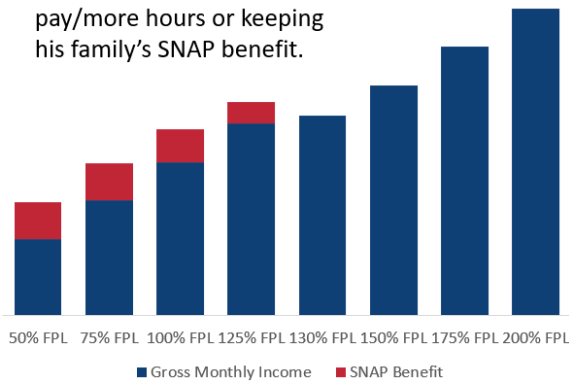
Our rule change also addresses an issue many of you have heard and expressed concerns about: the SNAP benefit cliff.

Currently, working individuals who receive SNAP become ineligible for the program immediately once their income exceeds 130% of the federal poverty guidelines. Anecdotally, we have heard from both employers and SNAP recipients that the cliff causes workers to decline additional hours at work, promotions, and even pay raises because the increase in income is still a net loss when factored against the loss of benefits. Ohio’s current approach to SNAP eligibility forces private interests to compete with public assistance benefits. But we can change this.

Federal law allows some flexibility in SNAP program design. Already, 25 states, from Michigan to Florida and West Virginia to Colorado, use this flexibility to allow working people with SNAP benefits to be tapered off food assistance gradually, rather than being kicked off at 130%.

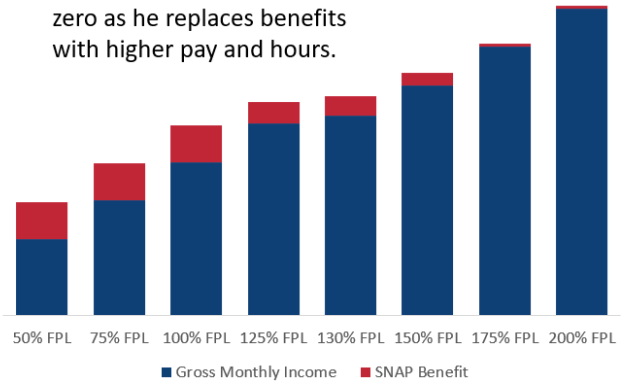
Current Program: Benefit Cliff

Joe Buckeye must choose between taking higher pay/more hours or keeping his family’s SNAP benefit.



Proposal: Off-Ramp

Joe Buckeye’s SNAP benefit is reduced gradually down to zero as he replaces benefits with higher pay and hours.



Through a rule change, Ohio will allow workers on SNAP to decrease their benefit down to zero as their wages gradually replace the benefit amount, up to 200% of the federal poverty level. This creates an “offramp” from SNAP rather than a “cliff.”

These proposals, combined as one rule package, will support Ohio workers and employers alike, and help modernize two long-standing programs.

Thank you for allowing me to present on these proposals, and I would be happy to take any questions you may have.