

Advocates for Ohio's Future House Bill 200 - Opponent Testimony House Health Committee - June 4, 2019 (Written Only)

Chairman Merrin, Vice Chair Manning, Ranking Member Boyd and Members of the House Health Committee, my name is Kelsey Bergfeld, and I am the Coalition Manager of Advocates for Ohio's Future.

Thank you for the opportunity to provide comments on House Bill 200 regarding SNAP benefit eligibility.

Advocates for Ohio's Future (AOF) is a nonpartisan coalition of nearly 500 Ohio organizations that promotes health and human service budget and policy solutions so that all Ohioans live better lives. Our coalition believes in investing in our state's most valuable resource—our people—to ensure that they are safe, healthy, and can access pathways to prosperity for themselves and their families.

Good health, including adequate access to healthy food, is critical for maintaining a job, earning an education, parenting, and participating in community life. In Ohio, nearly 1.4 million, or one in six people across the state rely on SNAP to help buy groceries each month¹. SNAP serves as a vital safety net to ensure low-wage workers do not go hungry when their hours are reduced or they become unemployed, and is widely regarded as one of the most effective programs in the country for alleviating poverty.

Record-low unemployment rates have painted a rosy outlook for most of Ohio's families. Unfortunately, according to the federal Bureau of Labor Statistics (BLS), in 2018, six of Ohio's 10 most common jobs (cashier, server, food prep, janitor, salesperson, stock person) paid wages so low that a family of three would need to use food assistance to make ends meet (less than \$26,000). Twenty years ago, only four of the most common jobs left working people in need of help to get by. This indicates the recent growth of the economy is most likely attributed to low wage jobs that do not support the basic needs of individuals, much less support a family.

Though the average SNAP benefit in Ohio is only about \$4 per day per recipient, this assistance significantly reduces food insecurity and frees up recipients' limited incomes to address other hardships like paying bills and rent². Once a family or an individual achieves stability and their basic needs are met, SNAP becomes an important work support to maintain stability as individuals expand their education or look for a job.

In 2014, Ohio requested and received authorization to waive federally-mandated work requirements for ablebodied adults (ages 18-49) without dependent children (ABAWDs) after three months of benefits in a 36-month period, for individuals living in counties that met USDA's criteria for "areas of high unemployment." These county waivers are reassessed by the Ohio Department of Job and Family Services (ODJFS) every federal fiscal year

¹ Ohio Department of Job and Family Services. (2018). Caseload summary statistics report, December 2018. <u>http://jfs.ohio.gov/pams/Case-Load-Summary-Report--December-(002).stm</u>

² Ohio Department of Job and Family Services. (2018). Caseload summary statistics report, December 2018. <u>http://jfs.ohio.gov/pams/Case-Load-Summary-Report--December-(002).stm</u>

(FFY), using the most recent BLS data to determine which counties are waiver-eligible. For FFY 2019, there are currently 38 counties in Ohio where the time limit was waived due to high unemployment.³

As of December 2018, 48 percent of Ohio's SNAP recipients live in one of the 38 counties where the three month time limit has been waived for the ABAWD population.⁴ This is due to the current waiver structure that generally allows the state to target its waivers to jurisdictions that are most vulnerable to poverty and food insecurity. This ensures those who are struggling to find employment in these areas can maintain access to basic nutrition as they search for work. Though counties with high-levels of unemployment and difficult access to transportation should remain exempt, AOF believes cities and other smaller units of government should also be exempt to ensure equal application of the exemption and to protect struggling communities in urban areas from losing basic nutrition assistance.

The sponsor of HB 200 has stated the intention of the bill is to restore the dignity of Ohioans by moving them from public assistance to work. **However, most SNAP recipients who are able to work already do so.** Recent research from the Brookings Institution found that among SNAP recipients aged 18-49 with no dependents, more than 73 percent were either working or in a period of transition.⁵

One of the most significant barriers inhibiting SNAP recipients from meeting work requirements is a lack of longterm employment opportunities that provide stable hours above the 80-hour-per-month threshold. Research from the Economic Policy Institute has found that the most common occupations held by SNAP recipients are in food service, retail, housekeeping, sanitation and health aide jobs.⁶ Volatile hours and unstable employment are especially common in these jobs, meaning it is common for SNAP recipients to experience periods of unemployment or insufficient hours to comply with work requirements. Significant investments from both the federal and state government would be required to ensure sustainable and accessible education, job training and job placement opportunities exist in every corner of our state to allow ABAWD SNAP recipients could reasonably fulfil their work requirement.

Ohio currently uses federal dollars to fund SNAP Education and Training (E&T) programs administered at the county level. Through our partners at legal aid and county JFS offices, we know the availability and quality of these programs varies greatly across the state.

There's currently an opportunity for the state and any provider of E&T programming to receive a 50 percent reimbursement from the federal government of non-federal dollars. This is called the SNAP E&T 50/50 program or "SNAP to Skills". The money is uncapped, and any drawn-down funds can be reinvested and submitted again for reimbursement. In Ohio, existing non-profits, workforce development agencies, community colleges and other entities providing these services and could benefit from the 50 percent reimbursement.

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³ Ohio Department of Job and Family Services. (2018). Family assistance letter #171. <u>http://jfs.ohio.gov/ofam/FAL-171-FFY2019-ABAWD-090718.stm</u>

⁴ Ohio Department of Job and Family Services. (2018). Caseload summary statistics report, December 2018. <u>http://jfs.ohio.gov/pams/Case-Load-Summary-Report--December-(002).stm</u>

⁵ Bauer, L., Whitmore Schanzenbach, D., & Shambaugh, J. (2018). Work requirements and safety net programs. The Hamilton Project. <u>http://www.hamiltonproject.org/assets/files/WorkRequirements_EA_web_1010_2.pdf</u>

⁶ Bivens, J. & Fremstad, S. (2018). Why punitive work-hours tests in SNAP and Medicaid would harm workers and do nothing to raise employment. Economic Policy Institute. <u>https://www.epi.org/publication/why-punitive-work-hours-tests-in-snap-andmedicaid-would-harm-workers-and-do-nothing-to-raise-employment/</u>

Unfortunately, these entities are not taking advantage of this opportunity because Ohio has not fully incorporated SNAP E&T 50/50 into the state or county plans and does not have the infrastructure established to administer these federal funds.

As a result, many SNAP recipients across the state have faced a shortage of meaningful, quality training programs and other essential supports needed to secure and retain a living-wage job. Given this bill and a pending federal rule that will subject many more Ohioans to work requirements, we want to ensure that adequate capacity and quality job training and support services exist for all Ohioans whether they live in Lucas, Cuyahoga or Wayne Counties. We urge the General Assembly to fully take advantage of available federal dollars to expand access and capacity for quality E&T programs by fully integrating SNAP to Skills into the state and county plans.

HB 200 would reduce access to basic nutrition assistance in the poorest areas in the state and restrict Ohio's ability to help its most disadvantaged workers. Advocates for Ohio's Future urges lawmakers to oppose HB 200 and invest in quality education and job training programs across the state and provide meaningful opportunities for our most vulnerable Ohioans on their path to self-sufficiency.

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