

## **Testimony for the House Health Committee**

Written Testimony of **Tara Britton** Director of Public Policy and Advocacy The Center for Community Solutions **HB200, Interested Party** 

June 4, 2019

Chairman Merrin, Vice Chair Manning, Ranking Member Boyd, and members of the committee, thank you for the opportunity to provide interested party written testimony on House Bill 200. My name is Tara Britton and I am the Director of Public Policy and Advocacy at The Center for Community Solutions, a nonprofit, nonpartisan think tank that aims to improve health, social and economic conditions through research, policy analysis and communication.

As proposed, House Bill 200 would remove the ability of the state to waive the three-month time limit that applies to childless, able-bodied adults who receive benefits through the Supplemental Nutrition Assistance Program (SNAP) and are unemployed. We would like to highlight several issues with HB200.

## Impact on poverty, food insecurity and economic activity

SNAP is widely regarded as one of the most effective programs in the country for alleviating poverty. Research has shown that in 2015 alone, SNAP was responsible for lifting 8.4 million people out of poverty, resulting in a 17 percent reduction in the U.S. poverty rate that year.<sup>1</sup> By helping low-income households afford food, SNAP reduces food insecurity and frees up recipients' limited incomes to address other hardships like paying bills and rent. Research from the federal agency that oversees SNAP, the U.S. Department of Agriculture, has shown SNAP to be instrumental in reducing food insecurity rates among households with and without children.<sup>2</sup> Most able-bodied adult without dependents (ABAWD) are ineligible for government cash assistance since, by definition, they are not elderly, disabled or raising children. Therefore, SNAP is often the only assistance available to help this population make ends meet.

In Ohio, nearly 1.4 million people across the state rely on SNAP to help buy groceries each month. 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.<sup>3</sup> These counties are Ohio's most poverty-stricken and food insecure areas. When considering the 15 Ohio counties with the highest poverty rates,

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<sup>&</sup>lt;sup>1</sup> Wheaton, L. & Tran, V. (2018). The antipoverty effects of SNAP.

https://www.urban.org/sites/default/files/the antipoverty effects of snap.pdf

<sup>&</sup>lt;sup>2</sup> Food and Nutrition Service. (2013). Measuring the effect of supplemental nutrition assistance program (SNAP) on food security. <u>https://fns-prod.azureedge.net/sites/default/files/Measuring2013Sum.pdf</u>

<sup>&</sup>lt;sup>3</sup> Ohio Department of Job and Family Services. (2018). Caseload summary statistics report, December 2018.

http://jfs.ohio.gov/pams/Case-Load-Summary-Report--December-(002).stm



all 15 are among the counties with current time limit waivers – with poverty rates as high as 30 percent.<sup>4</sup> Twelve of Ohio's 15 most food-insecure counties, where food insecurity rates are as high as 20 percent,<sup>5</sup> currently have time limit waivers. Though the time limit waiver does not currently extend to some of Ohio's urban areas with high rates of food insecurity, the current waiver structure 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.

## Most SNAP recipients who are able to work already do so

Even without work requirements, the SNAP benefit schedule is already designed to incentivize work through an income disregard and gradual benefit phase-out as earned income increases.<sup>6</sup> In other words, as SNAP recipients work more hours, their total household resources (income plus SNAP benefits) increase – even when earned income increases to the point where the individual is no longer eligible for SNAP. Further, the average SNAP benefit in Ohio is only about \$4 per day per recipient.<sup>7</sup> Even thrifty grocery shoppers would likely struggle to maintain adequate nutrition at this benefit level, and other income sources are still required to meet other basic needs.

The incentives for SNAP recipients to work are demonstrated by the fact that most SNAP recipients who are able to work already do so. Recent research from the Brookings Institution found that among SNAP recipients aged 18 to 49 with no dependents, more than 73 percent were either working or in a period of transition.<sup>8</sup> Roughly 25 percent were not in the labor force at all, largely due to chronic health issues or disability. Only 1.7 percent were in the labor force but experiencing long-term unemployment.

One of the most significant barriers inhibiting SNAP recipients from meeting work requirements is a lack of long-term 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.<sup>9</sup> 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. 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.

<sup>7</sup> 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>

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<sup>&</sup>lt;sup>4</sup> U.S. Census Bureau. (2018) American community survey 5-year estimates, poverty status in the past 12 months.

<sup>&</sup>lt;sup>5</sup> Feeding America. (2018). Mind the meal gap 2018: overall food insecurity in Ohio by county in 2016.

<sup>&</sup>lt;sup>6</sup> 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>

<sup>&</sup>lt;sup>8</sup> 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>

<sup>&</sup>lt;sup>9</sup> 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-and-medicaid-would-harm-workers-and-do-nothing-to-raise-employment/</u>



## Conclusion

House Bill 200 would reduce access to basic nutrition assistance in areas that are already among the most economically disadvantaged in the state. The bill severely restricts Ohio's ability to help its most disadvantaged workers, including people of color and those with little educational attainment, to purchase groceries as they search for employment or face reduced work hours. The committee should consider the wide body of evidence pointing to the fact that ABAWD SNAP recipients are already active labor force participants and that SNAP serves as a work support—not a work disincentive. We would be happy to answer any questions. Please contact me via email at <u>tbritton@communitysolutions.com</u> or phone at 614-745-0740 ext. 301.