# UNDERSTANDING THE COUNTY ROLE IN THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

The important role of SNAP as part of our nation's safety-net

## **MARCH 2019**



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# CHAPTER 1 UNDERSTANDING SNAP AND ITS ROLE IN OUR NATION'S SAFETY-NET

## COUNTY ACTION ON POVERTY REDUCTION

To reduce poverty in our nation, counties are investing in services such as early childhood development, affordable housing, nutrition assistance and workforce training.



For more information, visit www.naco.org/about/ serving-underserved

## **COUNTIES ARE THE LOCAL SOCIAL SAFETY-NET**

The nation's 3,069 counties provide vital services to more than 300 million residents. Counties provide and administer federal, state and local service systems to break cycles of poverty, from early childhood development and nutrition assistance programs to workforce and economic development.

Counties utilize federal, state and local resources to **address and combat the root cause of poverty and provide nutrition assistance and social services to low-income individuals across the country.** In every county, SNAP is a crucial aspect to healthy eating, especially for areas lacking access to sustainable and fresh food supplies.



families with children;



are in households with seniors or people with disabilities

## **FOOD INSECURITY ACROSS AMERICA**

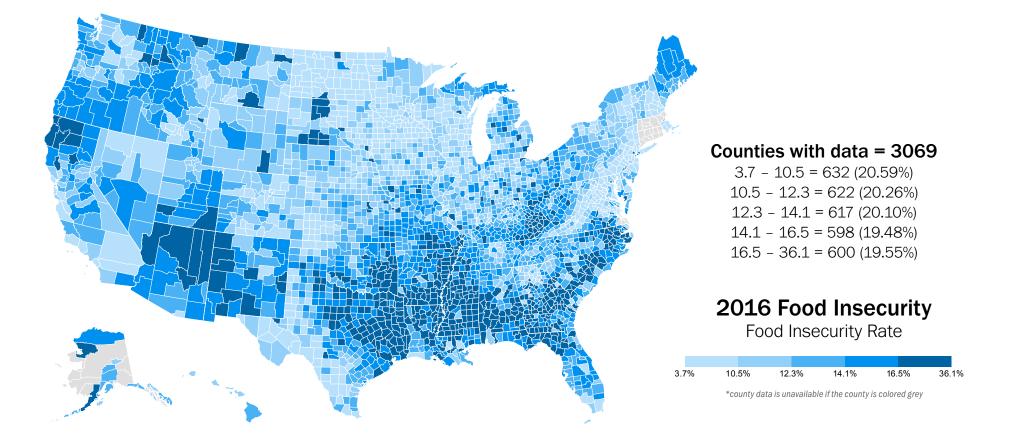
The U.S. Department of Agriculture (USDA) defines food insecurity as a lack of consistent access to enough food for an active, healthy life. In 2017, USDA estimated that 1 in 7 individuals were food insecure, equating to 40 million individuals and more than 12 million children.

Poverty and food insecurity in the United States are closely related. However, not all people living below the poverty line experience food insecurity, and people living above the poverty line can also experience food insecurity.



## **FOOD INSECURITY AFFECTS URBAN AND RURAL COUNTIES**

No community in the United States is immune to food insecurity, including both rural and urban areas. However, households in rural areas tend to experience food insecurity at higher rates, despite also being areas that grow much of our nation's food. In fact, of the 77 counties with SNAP participation levels at or above 30 percent of households, more than 69 percent are rural counties. Furthermore, out of the 25 counties across the country with the highest percentage of SNAP-participating households, 21 are rural.



Source: Gundersen, C., A. Dewey, A. Crumbaugh, M. Kato & E. Engelhard. Map the Meal Gap 2018: A Report on County and Congressional District Food Insecurity and County Food Cost in the United States in 2016. Feeding America, 2018. For more on the methodology, go <u>here</u>.

## **SNAP 101**

SNAP, formerly called food stamps, is a federal public assistance program offering nutrition support to eligible low-income individuals and families. The program currently serves 42 million residents across the nation, making it the largest program addressing hunger in America.

The federal food stamps program provides counties and states with resources for temporary benefits to individuals in need, so all residents have access to nutritious food. SNAP responds quickly to changes in population, growing in response to increases in poverty and unemployment and shrinking as need is met and reduced. The county role in administering SNAP is one of the many ways in which counties serve as the front-line social safety-net for communities by administering SNAP.

In every county, SNAP is an important aspect for healthy eating, especially in areas lacking access to sustainable and fresh food supplies. **Ten states delegate SNAP administration directly to county agencies, with these counties also contributing significant local funds to administrate and supplement program costs.** 

In December 2018, President Trump signed an \$867 billion farm bill with strong bipartisan support. The legislation maintained many current SNAP policies of importance to counties.

In 2017, SNAP helped more than



low-income Americans afford a nutritionally-adequate diet each month

## COUNTIES' SNAP PRIORITIES

- Counties operating SNAP have a direct stake in the program because they share administrative costs and often contribute funds to the program
- SNAP work requirements should provide greater flexibility to reflect the needs of local communities
- The current entitlement and funding structure of SNAP should be maintained



# **HISTORY OF SNAP**

SNAP was created in 1933 during the Great Depression to support farmers and their families. Since then, there have been significant changes made to the program to address the high rates of food insecurity across the country. In 2008, the program was renamed the Supplemental Nutrition Assistance Program (previously called the Food Stamp Program) and restructured to place greater emphasis on nutrition.

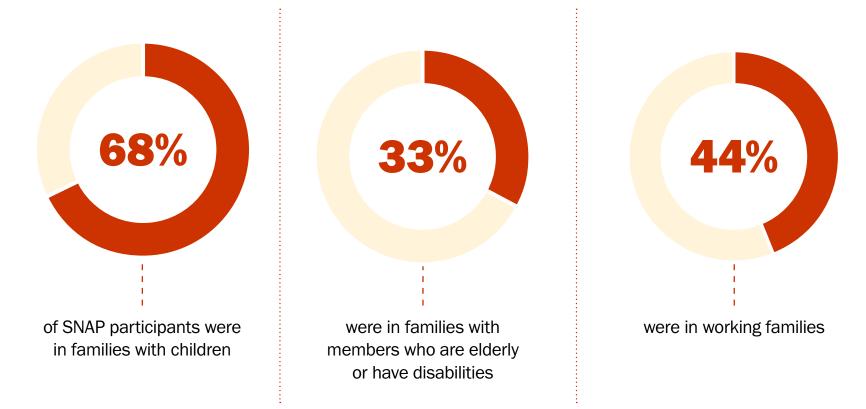
While SNAP is an entitlement program, it is still funded through the annual appropriations process in Congress. The federal government pays the full cost of SNAP benefits and splits the cost of administering the program with the states and counties, which operate the program.

## SNAP IS A FEDERAL-STATE-LOCAL PARTNERSHIP IN 10 STATES

SNAP is a federal program that passes funding to states Some states delegate administrative responsibilities to counties In ten states, SNAP is county-administered: Calif., Colo., Minn., N.J., N.Y., N.C., N.D., Ohio, Va., Wis.

## SNAP SERVES A DIVERSE GROUP OF INDIVIDUALS, CHILDREN AND FAMILIES

In 2017, SNAP reached 13 percent of the population, serving some of our most vulnerable communities.



## **HOW ARE SNAP BENEFITS CALCULATED?**

SNAP expects families receiving benefits to spend 30 percent of their net income on food. Families with no net income receive the maximum benefit, which is tied to the cost of the U.S. Department of Agriculture's Thrifty Food Plan (TFP), a diet plan designed to provide adequate nutrition at a minimal cost. For all other households, the monthly SNAP benefit equals the maximum benefit for that household size minus the household's expected contribution.

On average, SNAP households received about \$253 a month in FY 2018. The average SNAP benefit per person was about \$126 per month, or roughly \$1.40 per person per meal.

Household Size	Maximum Monthly Benefit, Fiscal Year 2019	Estimated Average Monthly Benefit, Fiscal Year 2019 <sup>1</sup>
1	\$192	\$134
2	\$353	\$247
3	\$505	\$378
4	\$642	\$465
5	\$762	\$528
6	\$914	\$637
7	\$1,011	\$729
8	\$1,155	\$868
Each additional person	\$144	

## **SNAP BENEFITS BY HOUSEHOLD SIZE**

<sup>1</sup> Estimated average benefits are based on FY 2017 SNAP Quality Control Household Characteristics data, the most recent data with this information. Source: Center for Budget and Policy Priorities

## WHO IS ELIGIBLE FOR SNAP?

## **ELIGIBILITY REQUIREMENTS**

TRADITIONAL ELIGIBILITY		
Gross monthly income	Household income must be at or below 130 percent of the poverty line	
Net income	Household income must be at or below 100 percent of the poverty line after deductions are applied	
Assets must fall below certain limits	Households without an elderly or disabled member must have assets of \$2,250 or less, and households with an elderly or disabled member must have assets of \$3,500 or less	
CATEGORICAL ELIGIBILITY		
	SNAP eligibility is automatically determined based upon the applicant's participation in other means-tested programs, such as the Supplemental Security Income (SSI) and Temporary Assistance for Needy Families (TANF) Program	
FEDERAL RESTRICTIONS		
Time limits	Individuals who are over the age 18 and under 50 are limited to three-months of SNAP benefits out of every three-years unless he/she is participating in work or a work training program for 20-hours a week*	
Other individuals who are not eligible	Regardless of their income or assets, individuals on strike, unauthorized immigrants and certain lawfully present immigrants may not be eligible for SNAP benefits	

\*Some individuals are exempt from the time-limit requirement, such as those who live with children in the household, those determined to be physically or mentally unfit for work, pregnant women and others determined to be exempt from SNAP work requirements

## **SNAP'S EMPLOYMENT & TRAINING IS CRUCIAL TO SUPPORTING WORK**

When it comes to SNAP recipients achieving self-sufficiency and financial stability, SNAP's Employment and Training (SNAP E&T) programs play a critical role in helping individuals gain the skills, training or experience needed to obtain and maintain regular employment. SNAP E&T is a key resource available to help states and counties address the needs of their residents, and funds can be used to provide enhanced individualized services to program participants.

The U.S. Department of Agriculture Food and Nutrition Service (FNS) provides funding to states annually to operate either mandatory or voluntary SNAP E&T programs. There are three types of federal SNAP E&T grants available to states:

#### E&T Program Grants (also known as 100 percent funds):

Formula-based grants received by all states to pay for SNAP E&T administrative expenses, such as state staffing and overall planning, implementation, operations and partner providers' administrative expenses. These grants can also be used to pay for direct program expenses like tuition and fees, career navigation and job development.

# Fifty-percent reimbursement grants (also known as 50-50 funds):

Reimbursement grants of 50 cents per dollar to states for SNAP E&T program costs exceeding those covered by E&T program grants, or for supportive services provided to participants, such as transportation, child care, books and supplies. Costs eligible for 50 percent reimbursement must be paid for from certain nonfederal funding sources, such as state and local funds.

## **ABAWD** grants:

Grants available to states that pledge to provide an employment and training opportunity to ablebodied adults without dependents (ABAWDs) during the recipient's final month of SNAP eligibility.

# **SNAP WORK REQUIREMENTS**

A central component of SNAP is its emphasis on work. States have broad discretion to determine eligibility for SNAP benefits and services. However, there are several federal requirements states must follow regarding eligibility restrictions to participate in work activities determined by the federal government as a condition of receiving TANF assistance. Under current SNAP law, there are two categories of SNAP recipient work requirements: general work requirement and work requirements for able-bodied adults without dependents (ABAWDs).

GENERAL	ABLE-BODIED ADULTS WITHOUT DEPENDENTS (ABAWDS)			
WHAT ARE THE WORK REQUIREMENTS?				
<ul><li>Register for work</li><li>Accept a job if offered</li><li>Do not quit a job without a good cause</li></ul>	<ul> <li>Participants are required to work or participate in qualified education and training activities for 80 hours per month</li> </ul>			
WHAT ARE THE CONSEQUENCES IF THE WORK REQUIREMENT IS NOT FILLED?				
<ul> <li>If a SNAP recipient does not fulfill the work requirements, states determine consequences within federal maximum limits</li> <li>Consequences can range from temporary reduction in benefits to permanent disqualification from SNAP for the violating household member or temporary termination of a household's full benefit</li> </ul>	<ul> <li>Participants are required to work or participate in qualified education and training activities for 80 hours per month</li> </ul>			
ARE THERE EXEMPTIONS OR STATE VA	RIATIONS FOR WORK REQUIREMENTS?			
<ul> <li>SNAP recipients are exempt if they are:</li> <li>Working at least 30 hours a week</li> <li>Physically or mentally unfit for employment</li> <li>Caring for a child under the age of six</li> <li>Caring for an incapacitated individual</li> <li>Participating in or complying with work requirements under certain other federal programs</li> </ul>	<ul> <li>SNAP recipients are exempt if they are:</li> <li>Unable to work due to physical or mental health reasons</li> <li>Pregnant</li> <li>Disabled</li> <li>Caring for a child</li> <li>Caring for a disabled family member</li> <li>Already exempt from the general SNAP work requirement</li> </ul>			

## WHAT COUNTS AS WORK UNDER SNAP E&T?

SNAP E&T requires that people between the ages of 18 and 59 register for work as a condition of receiving benefits, although people can be exempted from these requirements if they meet certain conditions. States have flexibility on the size and scope of their SNAP E&T programs as well as the types of employment and training activities offered. Activities that are allowable under SNAP E&T include:





job retention services

CHAPTER 2 THE ROLE OF COUNTIES IN FUNDING AND ADMINISTERING SNAP TO SUPPORT LOW-INCOME RESIDENTS

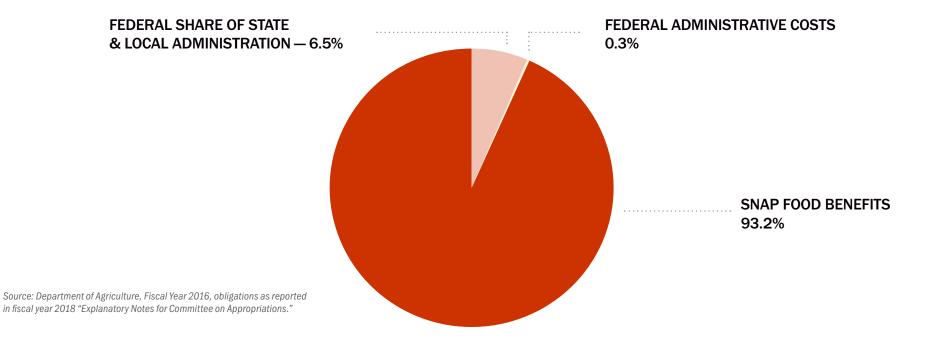
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# FUNDING STRUCTURE AND ADMINISTRATION OF SNAP

While SNAP is an entitlement program, it is still funded through the annual Congressional appropriations process. The federal government pays the full cost of SNAP benefits and splits the cost of administering the program with states and those counties that operate the program.

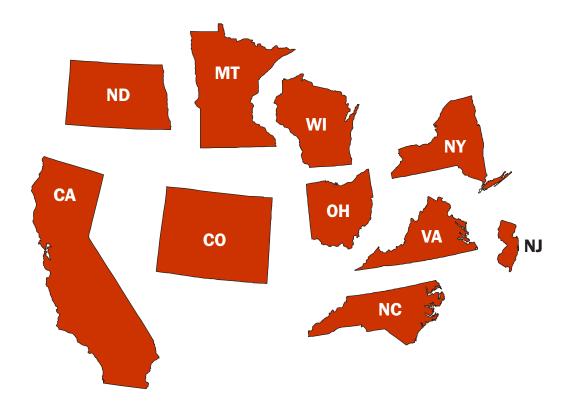
In 2017, the federal government spent about \$70 billion on SNAP and other food assistance programs. Ninety-three percent of SNAP spending went directly to benefits that households used to purchase food, and 6.5 percent went to state and local administrative costs.

Once a person qualifies for SNAP, the individual can receive benefits through a special card called an Electronic Benefits Transfer (EBT) card. The EBT card works similar to a debit card and benefits are loaded onto the EBT card on a monthly basis. SNAP participants can buy their groceries at participating food stores, and when food is purchased the cost is taken out of the account linked to the card.



## COUNTIES PLAY A FUNDAMENTAL ROLE IN THE FUNDING STRUCTURE OF SNAP

SNAP benefits are fully funded by the federal government, in primarily 10 states the administrative costs are shared with states and counties. Federal SNAP funds flow through and are accounted for in state and county budgets. In county-administered states, counties often contribute substantial local funds for administrative and supplemental costs toward the program.



#### **SNAP IS COUNTY-ADMINISTERED IN 10 STATES**



## **SNAP OPERATES AS A JOINT FEDERAL-STATE-LOCAL PARTNERSHIP**

Counties are an integral part of the federal-state-local partnership in service delivery.

Across the country, counties administer federal resources and funds to combat food insecurity. Whether or not a federal program is state or countyadministered varies by program and state.

Because of the flexibility granted within SNAP, county administration varies from state to state.

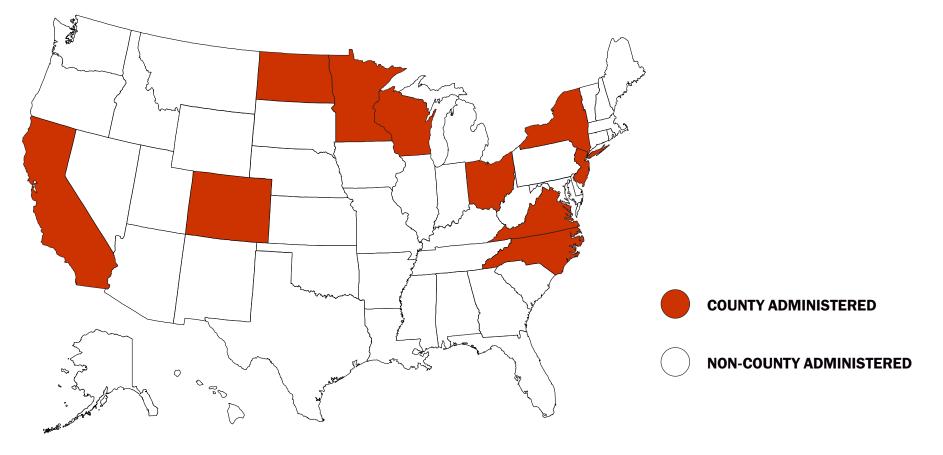
In county-administered states, states generally offer significant authority and much-needed flexibility to county administrative offices.

Although counties are granted significant authority and flexibility, they must still comply with certain federal and state mandates (such as who is eligible for SNAP and the amount of benefits not services a family can receive), which creates a complex implementation system.

## **COUNTIES CONTRIBUTE TO SNAP IN 10 STATES**

In county-administered states, states generally offer significant authority and much-needed flexibility to county administrative offices. States are responsible for the federal mandates associated with each program, and often pass these mandates down to counties, creating an implementation system that can be extremely complex. Whether SNAP is state or county-administered, program administration varies by state and county. Although SNAP is primarily a partnership between the federal government and states, 10 states delegate SNAP administration to county agencies: California, Colorado, Minnesota, New Jersey, New York, North Carolina, North Dakota, Ohio, Virginia and Wisconsin.

Counties in these states contribute significant local funds for the administrative and supplemental costs of running the program. Counties in these ten states cover 32 percent of our nation's SNAP recipients.



## SNAP IS A CRITICAL RESOURCE WHEN IT COMES TO DELIVERING NUTRITION ASSISTANCE TO COUNTY RESIDENTS

In 2017, the ten county-administered SNAP states:







**CHAPTER 3** ADDITIONAL SNAP SERVICES TO SUPPORT LOW-INCOME RESIDENTS



# BESIDES NUTRITION SUPPORT, SNAP IS CRITICAL TO OUR RESIDENTS IN OTHER WAYS

While SNAP's primary purpose is to help low-income families, the elderly and people with disabilities afford a nutritious diet, it supports other goals as well:



PROMOTING ECONOMIC DEVELOPMENT



**RESPONDING QUICKLY TO DISASTERS** 

# SNAP SUPPORTS LOCAL ECONOMIES AND SMALL BUSINESSES

Nationally, the U.S. Department of Agriculture has estimated that each \$1 of federally-funded SNAP benefits generates \$1.79 in economic activity.

SNAP bolsters economies through normal streams of commerce. It benefits all parts of the food chain: farmers, producers, truckers, food retailers and grocery clerks. Given the thin margins on which so many food retailers operate, SNAP redemptions help local food retail establishments stay economically viable. **By so doing, SNAP also helps maintain local food access in rural counties for both SNAP and non-SNAP residents**.

While over 80 percent of SNAP benefits are used at larger stores and supermarkets, the vast majority of SNAP authorized retailers – about 80 percent – are smaller stores. For these small businesses, SNAP is an important revenue source, particularly in high-poverty areas where SNAP purchases can account for a significant share of a retailer's total sales.

SNAP benefits and other program resources contribute to comprehensive economic development strategies to grow jobs and opportunities in rural counties.





## SNAP FUNDING HELPS COUNTIES QUICKLY RESPOND TO DISASTERS

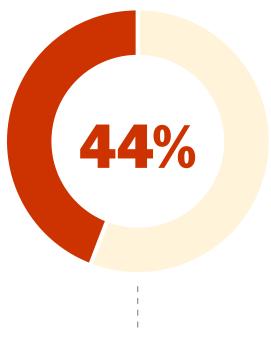
SNAP also plays a critical role in federal emergency responses to floods, wildfires, hurricanes and other natural disasters.

The Disaster Supplemental Nutrition Assistance Program (D-SNAP) with states and counties to provide food assistance to low-income households with food loss or damage caused by natural disaster.

D-SNAP benefits are triggered by a presidential declaration of a "major disaster" and are available to individuals not previously enrolled in the regular SNAP program: those who have lost a job, cannot get access to their bank funds or lose their home due to disasters.

In Florida, the Department of Children and Families (DCF), in partnership with USDA, initiated D-SNAP in 12 counties to assist communities impacted by Hurricane Michael. In 2018, DCF estimated the agency was able to serve 130,000 families in the aftermath of Hurricane Michael and 1.2 million households following Hurricane Irma with the help of D-SNAP.

CHAPTER 4 CHALLENGES FOR COUNTY GOVERNMENTS



of county officials mentioned that their county **reduced and/or eliminated programs and services because of budget constraints** in the last fiscal year

MANY STATES LIMIT COUNTIES' ABILITY TO RAISE REVENUE FOR NUTRITION ASSISTANCE

Given the fiscal limitations counties already face from states, the federal government's commitment to programs helping those most in need and to supporting local stakeholders and service providers is increasingly crucial.

Without the support of federal and state funds, many counties would have to reduce service levels for critical programs and cut any non-mandated services, such as economic development activities.

In a 2016 NACo survey, 44 percent of county officials mentioned that their county reduced and/or eliminated programs and services because of budget constraints in their last fiscal year.

## DESPITE THESE FISCAL LIMITATIONS, COUNTIES INVEST HEAVILY IN HUMAN SERVICES



The amount of federal, state and local funds that counties invest annually in human services while serving as the front-line social safety net



The average yearly amount a single county spends on human services

**227,000** The number of county employees involved in human services across the country

Although it varies by program and state, county governments are often mandated to operate and administer a wide variety of federal programs at the local level.

Counties administer and invest \$58 billion annually in federal state and local funds in human services while serving as the front-line social safety net. In addition, on average, a single county spends \$28.6 million a year on human services and counties employ over 225,000 county human services employees.

Source: NACo analysis of Federal Audit Clearinghouse Data, 2014-2016.

**CHAPTER 5** FEDERAL OUTLOOK FOR SNAP

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## **KEY SNAP PROVISIONS INCLUDED IN 2018 FARM BILL AGREEMENT**

In December 2018, President Trump signed into law a five-year reauthorization of the farm bill. The president's signature comes after a bipartisan group of legislators worked for months to resolve disagreements between the House-passed and Senate-passed farm bills. The nutrition title of the final conference farm bill – which accounts for roughly 75 percent of overall spending within the package – maintains most of the current SNAP policies and practice.

**Maintains existing eligibility and work requirements.** The farm bill rejected implementation of stricter work requirements for SNAP, which was originally proposed in the House-passed farm bill.

**Strengthens workforce training and education.** The 2018 farm bill contains reforms that encourage and prioritize approaches to job training and other employment-related activities that are proven to be effective by the SNAP Employment and Training (SNAP E&T) pilot programs authorized under the 2014 Farm Bill.

**Maintains categorical eligibility for SNAP recipients.** The House-passed farm bill proposed to eliminate "broadbased" categorical eligibility, a process states use to make people eligible for SNAP with income levels above 130 percent of the poverty line, but with disposable incomes below the poverty line. The final farm bill agreement rejected the elimination of "broad-based" categorical eligibility.

**Reduces SNAP benefits duplication.** The farm bill established a new National Accuracy Clearinghouse, which is designed to prevent individuals from simultaneously receiving SNAP benefits in multiple states.

**Improves program quality control.** The 2018 farm bill eliminated an awards program that gave states up to \$48 million a year in bonus funding for high performances related to program access and payment accuracy. The projected savings from these changes will be reinvested into food banks and other nutrition assistance programs.

**Retain an administrative simplification for households with a disabled member that have out-of-pocket utility expenses.** The 2018 farm bill maintained current policy on standard utility allowance, which allows states to continue using the recipient of benefits under the Low-Income Home Energy Assistance Program (LIHEAP) to qualify them for SNAP income deduction tied to their expenses for utilities like heating and electricity.

## **RECENT ADMINISTRATIVE ACTION**

In January 2019, the U.S. Department of Agriculture (USDA) released a new proposed regulation that would more strictly enforce existing work requirements in SNAP. USDA expects that SNAP – which costs about \$87 billion annually – would see reduced expenditures of about \$15 billion over the next ten years under the proposal, a cut of about 1.7 percent.

The proposal identifies changes impacting one specific group of SNAP recipients referred to as **able-bodied adults without dependents (ABAWDs)**, which includes recipients ages 18 through 49 who are not disabled or caring for children or other dependents.

## **KEY PROVISIONS INCLUDED IN THE REGULATION**

**Redefines "sufficient jobs" threshold:** The proposal would redefine "sufficient jobs" to require eligible areas to have had at least 6 percent unemployment for two years. Under current law, a state or geographic area meets this "lacking sufficient jobs" threshold if the unemployment rate in that area is at or exceeds 20 percent of the national average unemployment rate.

**Limits geographic location for waiver exemptions:** The proposal would prevent states from granting waivers for large geographic areas or combining data from high-unemployment areas with that of low-unemployment areas. Instead, waivers would only be allowed in local areas, such as counties and cities, that meet the criteria outlined above.

**Limits state waivers for ABAWD time limits:** The proposal would also limit state waivers for ABAWD time limits to one year, reduced from the current two-year limit.

**Limits carry-over exemptions:** Finally, the proposal would limit states' carry-over exemptions. Under current law, states can exempt up to 15 percent of their ABAWD population from work each year. If these exemptions are not used, they can be "rolled over" for future years, which has permitted states to build up large surpluses of exemptions. Under the proposed rule, the carry-over allowance would be limited to just one year, removing the ability of states and counties to store these exemptions for a future economic downturn.

For more information and resources, visit NACo's website at https://www.naco.org/usda-snap

## **TAKE ACTION!**

- Work with your local media to publish an op-ed on the importance of SNAP to your county and residents. Submitting an op-ed or guest commentary to your local paper is an excellent way to keep your residents informed about what you are doing on their behalf.
- Amplify personal stories from constituents who are receiving SNAP benefits. Sharing personal stories helps legislators put a face to policy issues, especially for those who have achieved nutrition stability and independence.
- Utilize state-level SNAP data from NACo's County Explorer to demonstrate how your county delivers and invests in nutrition support.



For more information and resources, please visit NACo's website at http://explorer.naco.org/

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