
Updated April 12, 2018

Will Chairman Conaway's SNAP Proposal Match His Rhetoric?

By Elizabeth Wolkomir and Stacy Dean

House Agriculture Committee Chairman Michael Conaway is expected to release his 2018 farm bill proposal as early as this week, including his plan for the nutrition title that would reauthorize the Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp Program). The Chairman has said that his proposal won't cut SNAP. Based on press reports,¹ however, it likely will include damaging cuts to food benefits. And the money saved from cutting off low-income households or lowering their benefits would apparently be channeled to pay for expensive, untested new work requirements that are unlikely to be effective in moving people into employment, along with additional bureaucracy to administer the work requirements and other rules, and a host of other grant programs outside of SNAP.

The research in the field indicates that the sweeping and aggressive new work requirements that the Conaway proposal reportedly contains are likely to cause still more low-income households to lose food assistance, while doing little to increase employment. Indeed, the work-requirement proposal appears to fly in the face of House Speaker Paul Ryan's call for evidence-based policymaking. The 2013 farm bill provided \$200 million for ten substantial state demonstration projects to find what works — and what doesn't — in helping jobless SNAP participants gain employment. These demonstrations — which are testing various approaches to employment-based interventions, including expanded work requirements — are well underway, and results will be forthcoming in the years ahead. But rather than await the results, the Conaway proposal apparently will mandate that all states institute sweeping and costly changes now and follow an approach that is likely to fail, if the goal is to improve outcomes for low-income individuals and families.

SNAP is the country's most effective anti-hunger program, helping 1 in 8 Americans afford a basic diet. Most SNAP participants are children, seniors, or people with disabilities. And despite providing modest benefits — the benefits average about \$1.40 per person per meal — the program addresses food insecurity, alleviates poverty, and has been found to have long-term positive impacts on health, as well as on children's educational attainment.

¹ Arthur Delaney, "GOP Food Stamp Plan Would Shift Some Funds from Benefits to Training," *Huffington Post*, updated March 28, 2018, https://www.huffingtonpost.com/entry/republican-food-stamp-plan_us_5abaaca4e4b03e2a5c770cce0; Philip Brasher, "Draft Farm Bill Could Cut Snap Benefits by More than 20 Billion," *Agripulse*, March 27, 2018, <https://www.agri-pulse.com/articles/10778-draft-farm-bill-could-cut-snap-benefits-by-more-than-20-billion>.

When the Chairman’s farm bill legislation is unveiled, it will be important to assess the proposed SNAP changes and how they would impact low-income households. Here are five key questions to ask about the proposal.

Would Current Participants Lose SNAP Eligibility or Have Their Benefits Cut?

Despite the Chairman’s statements to the contrary, there have been strong indications that the proposal will include substantial benefit cuts. Chairman Conaway has reportedly² indicated, for example, that he will propose eliminating a state option to make people “categorically eligible” for SNAP if they receive a benefit funded by the Temporary Assistance for Needy Families (TANF) program. Eliminating this option would end SNAP eligibility for as many as 1 million low-income households with nearly 700,000 children.

The majority of states use this option to prevent an abrupt cut-off of benefits for households close to SNAP’s federal income threshold if their earnings rise modestly above the threshold. States use this option to serve working families with gross incomes modestly above the threshold who face significant expenses — like costly rent and child care — that substantially lower their disposable income and thus can put a healthy diet out of reach.

In 31 states, eliminating this option would re-impose a benefit cliff. A household close to the income threshold that accepts a modest wage increase or more hours of work that push its earnings slightly above the threshold would lose all of its SNAP benefits, with the result that earning more could actually make the family worse off.³ The typical family with children that benefits from this state option receives about \$100 a month in SNAP. Such a proposal would remove an incentive for SNAP households to accept higher earnings and be contrary to the Chairman’s stated “pro-work” theme.

There are also likely to be other proposals in the bill that would reduce benefits or terminate eligibility for struggling families and individuals. Claims that no one would lose eligibility or food assistance as a result of the Chairman’s proposal will need to be measured against the Congressional Budget Office’s (CBO) nonpartisan analysis of the bill, which is almost certain to show otherwise.

Would States Be Able to Establish and Run a Work Program of the Magnitude Prescribed?

Chairman Conaway has indicated⁴ that his proposal would dramatically expand SNAP’s current work requirements to a much broader population including parents and older workers (for whom

² Catherine Boudreau and Liz Crampton, “Conaway Encourages Democrats to Return to Farm Bill Negotiations,” *Politico Pro*, March 22, 2018, <https://www.politicopro.com/agriculture/article/2018/03/conaway-encourages-democrats-to-return-to-farm-bill-negotiations-437322>.

³ Elizabeth Wolkomir and Lexin Cai, “The Supplemental Nutrition Assistance Program Includes Earnings Incentives,” Center on Budget and Policy Priorities, updated March 6, 2018, <https://www.cbpp.org/research/food-assistance/the-supplemental-nutrition-assistance-program-includes-earnings-incentives>.

⁴ “House Agriculture Committee Chairman Mike Conaway addresses the Opening General Session of TSCRA,” *Oklahoma Farm Report*, March 24, 2018, http://oklahomafarmreport.com/wire/podcasts/03242_MikeConawaySpeechTSCRAPodcast03242018_114312.php#WsZCQZWWyov.

states can currently tailor work requirements to meet local conditions). Under his approach, states would be required to provide millions of SNAP recipients with slots in work-related programs for a minimum of 20 hours a week, regardless of whether that is the most efficient and effective way to help various individuals find work or increase their work hours. States would be responsible for mounting work programs on a vast scale — they would have to provide places in work programs for potentially *millions of people every month*. To do so, states would need to create massive new bureaucracies and hire many more staff to assess individuals' ability to work, assign individuals to placements, and track them.

Building this new bureaucracy and operating work programs on this scale would be an unprecedented undertaking. No comparable employment and training system exists that could be leveraged to generate anything close to this many work program slots for this many people. For example, the Workforce Innovation and Opportunity Act (WIOA) Adult Program provided job training to only 153,000 individuals nationwide in 2015.⁵ In TANF in 2016, only 126,000 program recipients who satisfied their work requirement were in a work activity other than unsubsidized employment, and of those, only 36,000 were in any kind of education or training.

Do Job Training and Work Support Investments Match the Promise to Provide Meaningful Services?

The Chairman has suggested that the millions of SNAP participants subject to these work requirements would have access to meaningful employment services to help them gain jobs. Programs like subsidized jobs, apprenticeships, on-the-job training, case management, and other meaningful services have all been mentioned as possibilities, but they appear to be a mirage, as they would be highly unlikely to materialize, for the reasons explained below.

These programs already are options under SNAP's existing employment and training (E&T) program, but states rarely offer them because of their costs and operational complexity. Research shows employment and training opportunities like the ones the Chairman has cited can cost \$3,000 to \$14,000 per slot.⁶ Another example would be in TANF where in the median state, it costs about \$414 per month to provide employment services per person subject to work requirements. If at least 3 million SNAP beneficiaries per month were subject to the new SNAP work requirements (a

⁵ This does not include all individuals that received WIOA-funded case management services and other individualized or basic services.

⁶ Susan Scrivener *et al.*, "Doubling Graduation Rates," MDRC, February 2015, <https://www.mdrc.org/publication/doubling-graduation-rates>; Howard Ralston *et al.*, "Valley Initiative for Development and Advancement: Implementation and Early Impact Report," Abt Associates, Inc., October 2017, <https://www.acf.hhs.gov/opre/resource/valley-initiative-development-advancement-implementation-early-impact-report>; Sheena McConnel *et al.*, "Providing Public Workforce Services to Job Seekers: 15- Month Impact Findings on the WIA Adult and Dislocated Worker Programs," Mathematica Policy Research, May 2016, <https://www.mathematica-mpr.com/our-publications-and-findings/publications/providing-public-workforce-services-to-job-seekers-15-month-impact-findings-on-the-wia-adult>; Gayle Hamilton *et al.*, "National Evaluation of Welfare-to-Work Strategies: How Effective Are Different Welfare-to-Work Approaches? Five-Year Adult and Child Impacts for Eleven Programs," Manpower Demonstration Research Corporation, December 2001, <http://www.mdrc.org/publication/how-effective-are-different-welfare-work-approaches>.

conservative estimate), and costs mirrored those in TANF, it would cost more than \$1.2 billion per month to provide such employment services. This translates to almost \$15 billion a year or \$150 billion over ten years. This compares to SNAP's current annual grant to states of \$110 billion a year for SNAP employment and training. Even if the Conaway bill redirects substantial savings from eligibility and benefit cuts to these work programs and services, such as \$1 billion or \$1.5 billion a year, that still would be highly inadequate to achieve the scale and quality of the services needed. The almost-certain result would be greatly under-resourced work programs that offer few, if any, services to help people gain skills and jobs. Instead, states would spend a lot of resources monitoring compliance with the requirements and creating services that largely consist of compulsory make-work slots that do little to improve employment rates.

In short, the Conaway proposal is likely to contain work requirements on a mass scale without the funding needed to provide effective employment services and thus would likely result in large numbers of households — including many with children — losing the assistance they need to put food on the table. As noted above, the proposal also is likely to include substantial cuts in benefits to finance these new work requirements and numerous other provisions that divert funds from SNAP's core anti-hunger purpose, putting many families at increased risk of hardship.

Finding effective ways to help people get stable, decent-paying jobs is a priority. But it shouldn't come at the expense of ensuring that poor families and children have enough to eat, and it ought to be based on evidence of what is actually effective in moving these individuals into stable employment.

Does Available Evidence Support the Claim That These Work Requirements Would Help People Find Jobs?

Work requirement proponents often cite TANF as a model. But the research indicates that TANF work requirements have produced little ongoing improvement in employment while leading to large numbers of needy families being terminated from the program or discouraged from entering it in the first place. As a result, many families — often those with the greatest disadvantages — have lost cash assistance, leaving them in deep poverty.⁷ These TANF requirements have led to an increase in the number of deeply poor mothers and children with *neither earnings nor* cash assistance. (Recent testimony from Urban Institute employment expert Heather Hahn reviews the history of TANF work programs and requirements and their relevance to the current debate on SNAP work requirements.⁸)

Faced with this experience, and to find more effective ways to help move unemployed SNAP participants to work, some states have started to experiment with approaches focused on helping some of these participants increase their earnings by training them for jobs in high-demand sectors of the economy, an approach to training that has been found to produce significant results. In addition, as explained above, Congress acted in 2013 — in response to the lack of evidence on how

⁷ LaDonna Pavetti, "Work Requirements Don't Cut Poverty, Evidence Shows," Center on Budget and Policy Priorities, updated June 7, 2016, <https://www.cbpp.org/research/poverty-and-inequality/work-requirements-dont-cut-poverty-evidence-shows>.

⁸ Heather Hahn, "Research on Work Requirements, Access and Alignment of Supports for Low-Income Families," testimony before the House Subcommittee on Higher Education and Workforce Development, March 15, 2018, <https://www.urban.org/research/publication/research-work-requirements-access-and-alignment-supports-low-income-families>.

to successfully increase employment among SNAP participants — by establishing ten state demonstration projects to test a variety of innovative approaches to achieving this goal. The Conaway proposal, by contrast, would require a massive, costly expansion of SNAP work requirements *without* needed evidence about what works in this area, would essentially make it impossible for the states experimenting with innovative approaches to continue them, and would ignore the demonstration projects.

Moreover, sweeping work requirements are unlikely to be effective because they don't address the real situations of SNAP recipients. Most working-age SNAP recipients who don't receive disability benefits are workers. More than half work while receiving SNAP and fully three-quarters work within a year of SNAP receipt.⁹ These workers need SNAP. They typically work in jobs with low wages, fluctuating hours, and poor benefits — and because these jobs are unstable, low-wage workers face periods of unemployment. A sweeping work requirement would create a huge bureaucratic system to track these workers, introducing onerous paperwork and administrative requirements, while doing nothing to help them get better-paying, more stable jobs. Under-funded and rigid work requirements also wouldn't help those SNAP recipients who face serious barriers to employment and likely would end up hurting many with serious health issues and caregivers whose circumstances mean that at least temporarily they aren't able to work.

Does CBO Analysis Back Up Proposal Supporters' Claims?

The Chairman's proposal should be measured against the analysis that CBO produces. CBO is expected to estimate the costs and savings of each of the proposals in the Chairman's bill, providing information about whether the proposals cut benefits or terminate eligibility for participating households.

If a nutrition title has a zero net cost relative to the CBO baseline, that does not mean that “not one person gets kicked off the program,” as Chairman Conaway has claimed.¹⁰ To accurately assess the proposal's impacts, rather than simply accepting such assertions about it, policymakers, the media, and other interested parties will need to wait for CBO's estimates of how many people would lose benefits under the proposal's various provisions and how much funding would be shifted away from basic nutrition assistance to pay for mass-scale work requirements and other provisions of this part of the bill.

⁹ Brynne Keith-Jennings and Raheem Chaudhry, “Most Working-Age SNAP Participants Work, But Often in Unstable Jobs,” Center on Budget and Policy Priorities, March 15, 2018, <https://www.cbpp.org/research/food-assistance/most-working-age-snap-participants-work-but-often-in-unstable-jobs>.

¹⁰ “House Agriculture Committee Chairman Mike Conaway addresses the Opening General Session of TSCRA,” *Oklahoma Farm Report*, March 24, 2018, http://oklahomafarmreport.com/wire/podcasts/03242_MikeConawaySpeechTSCRAPodcast03242018_114312.php#.WsZCQZWwYov.