

Misguided Trump Administration Rule Would Take Basic Food Assistance From Working Families, Seniors, and People With Disabilities

Statement by Robert Greenstein, President

The Trump Administration today proposed changes in a key SNAP (food stamps) rule which, if implemented, would take away basic food assistance from an estimated 3.1 million people, mainly working families with children, seniors, and individuals with disabilities. The proposed rule would make it harder for struggling people to make ends meet. It comes in the aftermath of the President's 2017 tax law, which conferred large new benefits on the highest-income households.

Federal law includes a provision that lets states strengthen SNAP's rules to encourage work and saving among low-income households — two goals that have long had strong bipartisan support — through a policy called broad-based categorical eligibility (BBCE). States can use BBCE to raise SNAP income eligibility limits somewhat so that many low-income working families that have difficulty making ends meet, such as because they face expenses for costly housing or child care that consume a sizeable share of their income, can receive help affording adequate food. This policy also lets states adopt less restrictive asset tests so that families, seniors, and people with a disability can have modest savings without losing SNAP.

The Administration's proposal would dramatically narrow this policy. As a result, many SNAP households, including many near-poor working families, seniors, and people with disabilities, would be cut off of basic food aid. Children from families who would lose their SNAP benefits under the proposed rule would also lose access to free lunches and breakfasts at school. The Administration estimates that, if implemented, this policy would terminate SNAP eligibility for 3.1 million people and cut SNAP benefits by \$3 billion a year, or roughly \$25 to \$30 billion over ten years.

This rule would be particularly harsh for working families with incomes close to SNAP's gross income threshold of 130 percent of the poverty line, who would be at risk of being cut off of SNAP if they got a modest wage increase or worked slightly more hours. Taking SNAP away from these families could discourage some recipients from earning additional income. The proposed rule would weaken SNAP's role in supporting work while making it harder for families that struggle to get by on low wages to meet their basic needs.

The change also would penalize families with children, seniors, and people with disabilities who have modest savings by eliminating their food assistance. Building modest assets allows low-income families to avoid accumulating debt and to be better financially prepared for old age and unforeseen

events, such as a home or car repair or the loss of a job in a recession. It is especially important for seniors and people with disabilities who live on fixed incomes, whose savings can help them avert a financial crisis or weather an emergency that would otherwise push them deeper into poverty or could lead to homelessness.

In trying to make a case for the proposal, the Administration argues that states are approving households for SNAP under BBCE without checking their incomes or assessing their need for food assistance. The claim is incorrect. To receive SNAP, *all* households, including those eligible under BBCE, must apply, be interviewed, and document that their monthly income and expenses, such as high housing and child care costs, leave them with too little disposable income to afford a basic, adequate diet. Indeed, the Department of Agriculture's own data show that only about *0.2 percent* of SNAP benefits went in 2017 to households with monthly disposable incomes — net income after deducting certain expenses like high housing and child care costs — above the poverty line. SNAP has some of the most rigorous program integrity standards and systems of any federal program.

With this rule, the Administration is seeking to implement through executive action a harsh policy that Congress rejected in the 2018 farm bill. Instead of punishing working families if they work more hours or must incur high child care costs in order to work, or penalizing seniors and people with disabilities who save a modest amount for emergencies, the President should seek to assist them with policies that help them afford the basics and save for the future.

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