

STATE OF WASHINGTON

LEGISLATIVE EXECUTIVE WORKFIRST POVERTY REDUCTION OVERSIGHT TASK FORCE

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Dear Congressional Delegation,

As members of the Washington State Legislative Executive WorkFirst Poverty Reduction Oversight Task Force (LEWPRO), we are writing today to recommend critical needs in the upcoming Farm Bill reauthorization. LEWPRO is a legislative and executive branch task force established in 2018 and serves as a platform for legislative and executive branches to oversee the operation of the Temporary Assistance for Needy Families and its WorkFirst (employment and training) program as well as develop and monitor strategies to prevent and address adverse childhood experiences and reduce intergenerational poverty.

LEWPRO's <u>5 year Plan</u> to Reduce Intergenerational Poverty and Promote Self-Sufficiency, notes that more than 1.8 million Washingtonians (including more than 500,000 children) live in a household that struggles to makes ends meet. A disproportionate share are Indigenous, Black and Brown – a legacy of a social and economic system built on our history of colonialism, racism, oppression and exclusion.

As you are aware, the Farm Bill is an omnibus law governing a large array of agriculture and food programs. This law, reauthorized every five years with the last reauthorization passed in 2018, is being considered for reauthorization right now. While the Farm Bill has 12 sections or titles, we are focusing this letter on the Nutrition part, which is the most significant section of the Farm Bill, receiving about \$815 billion in funding over a 10-year period.

The Nutrition programs within the Farm Bill account for 80% of its spending and help to prevent hunger and poverty among vulnerable populations. Programs such as Supplemental Nutrition Assistance Program (SNAP), the Food Distribution Program on Indian Reservations (FDPIR) and the Emergency Food Assistance Program (TEFAP) act as important safeguards for those experiencing food insecurity and financial hardships. As stewards focused on poverty reduction and mitigation, we believe this reauthorization cycle is an opportunity to modernize the Nutrition title and the programs it governs.

This letter is meant to provide strategies, in alignment with our 5-year plan, to address shortcomings in the Nutrition programs authorized under the Farm Bill. Food security is a human right, foundational to the well-being of people and communities. SNAP is a literal lifeline for Washingtonians experiencing hunger and food insecurity and our recommendations

seek to strengthen its impact. We believe that, if enacted, our recommendations would increase access, remove barriers and measurably improve food security in Washington state.

Overall, we're looking to you to help make the nutrition programs work for people furthest from opportunity while giving states more flexibility to test solutions that meet community need and reduce unnecessary bureaucratic complexities in the system. To that end, we offer the following strategies for your consideration and have structured them into four themes:

- Strengthening Benefits and Access
- Strengthening the Pathway to Economic Mobility
- Advancing Equity
- Improving Infrastructure and Streamlining Administrative Policies

I. Strengthen Benefits and Access

a. Consider allowing states to conduct pilots to test and evaluate changes that improve customer service. The COVID-19 pandemic created a natural experiment for states to test a variety of rule changes regarding processing certifications, but leveraging these experiments is difficult given the fast pace of the change and the lack of independent evaluation. Authorizing states to pilot such flexibilities and providing an independent national evaluation of those would allow for the results of the pilots to be used in future policy making.

b. Update SNAP benefits.

- i. Shift from the Thrifty Food Plan to the Low-Cost Food Plan for setting benefit levels to better reflect how people shop and to ensure adequate benefit to meet need. Methodology shows that for a family of 4 including a male & female adult (20-50 years) and two children ages 6-8 and 9-11, a 4 person weekly food cost is \$224.10 under the Thrifty food plan. For the same family, the weekly food cost is \$240.80 under the low cost food plan. For this family size the difference is about 7.5% more on the low cost plan.
- ii. **Increase earned income deduction to address inflation increase**. Currently this is set at 20% Gross Earned Income deduction. With inflation in the cost of gas and other employment-related costs, it is appropriate to increase this income deduction to reflect current prices.
- iii. **Raise the resource limit for SNAP**. Regardless of income coming into the household, current resource limits require households to spend down their resources in order to qualify for food assistance. This discourages savings and resource

- building to provide a safety net for unexpected emergencies. The SNAP resource limit has only increased for inflation \$1,000 in nearly 50 years.
- iv. **Revise or eliminate the maximum shelter deduction** to reflect the true cost of housing. Housing costs have risen so high that low-income households are forced to pay more simply to keep a roof over their heads. Larger families with more income face the same limits as smaller families. The excess shelter deduction should be uncapped similar to elderly and disabled households.
- v. **Allow hot foods to be purchased in grocery stores.** SNAP currently limits food purchases to uncooked meals. Allowing the purchase of prepared hot meals provides access to cooked food for households who may not have a way to prepare or store food, such as people experiencing homelessness.
- vi. Strengthen the emergency food system. Improve TEFAP to support local purchasing.
- c. Increase funding for GusNIP grant program to make fruits and vegetables more affordable for SNAP participants. It is well known that fruits and vegetables are more expensive than bulk, processed food staples and are therefore often out of reach for low-income SNAP recipients. Access to these healthier food options is vital to growing children and aging and disabled Americans. Additionally:
 - i. Eliminate the match requirement for GusNIP, which is not part of the SNAP or WIC programs.
 - **ii. Integrate SNAP incentive programs into the existing SNAP EBT system:** Support funding to integrate SNAP incentive program benefits into the SNAP EBT system. This would reduce the administrative costs associated with SNAP incentive programs, reduce the administrative burden, and expedite payments to growers and stores.

d. Simplify program access

i. Allow for simplified reporting structures in SNAP without additional periodic reporting requirements. Although simplified reporting rules significantly reduced reporting requirements, the program remains administratively burdensome to individuals and families required to complete an annual Eligibility Review and a six-month periodic report, or Mid-Certification Review (MCR). These burdens equate to barriers which creates the circumstance that terminate otherwise eligible people from the program simply because they did not resubmit a form. Eliminating MCRs would reduce workload for eligibility staff and limit 'churn' of eligible customers cycling on and off benefits due to late MCR processing. This change would not jeopardize program integrity, as it does not eliminate the requirement for households to report certain changes in circumstance throughout their certification period.

- ii. Establish standard medical deduction, Combined Application Project and Elderly Simplified Application Project as permanent state options. These demonstration projects have successfully reduced hurdles for people accessing SNAP especially the elderly and persons with disabilities while reducing administrative burden and maintaining program integrity. Shifting from a demonstration waiver to a state option reduces the administrative burden on states to implement.
- **iii. Protect the state option to use Broad-based categorical eligibility** which has proven successful across the country in expanding access and streamline enrollment in SNAP.
- iv. Require USDA to update, test and evaluate simplification of work requirements and Able-Bodied Adults without Dependents (ABAWD) time limit provisions. Recent analysis (a June 2021 Urban Institute Study titled *The Impact of SNAP Able-Bodied Adults without Dependents (ABAWD) Time Limit Reinstatement in Nine States)* suggests the current ABAWD work requirements do not substantially improve employment or earnings while substantially reducing SNAP participation among those subject to such requirements and time limits. Additionally, work requirements for both ABAWDs and general SNAP recipients differ in who they apply to, exemption criteria and how those requirements can be satisfied. These misalignments create a convoluted system of unwieldly requirements.
- e. Restore Community Food Projects grant program funding to \$9 million per year. This federal competitive grant program is intended to bring together stakeholders from distinct parts of the food system and to foster an understanding of national food security trends and how they might improve local food systems. Understanding that low-income individuals experience disproportionate access to healthy foods, projects under this grant program are to address food and nutrition insecurity, particularly among our nation's most vulnerable populations.

II. Strengthen the Pathway to Economic Mobility

- a. Modernize, fund and streamline SNAP Employment and Training Programming
 - i. Increase federal funding for SNAP E&T. While expanding the amount of 100% federal funding available is preferred, even increasing from the current 50/50 to a larger federal share would increase local provider capacity, reducing the strain on state and community grant funds.
 - ii. Streamline E&T program and plan requirements and provide flexibility for redistribution and expenditure of reallocated and unspent funds. Currently reallocated funds are distributed around March of the program year (sometimes as late as April). This funding must be spent before the end of September of the same year. Allowing states to keep the funding

until December of the same year would give them more time to use the funding for innovative services and reduce the amount of unused funds returned to FNS. Also, consider an option to carry over unspent funding for one year.

- **b. Mitigate the Cliff Effect of employment.** Consider a definition of benefit cliffs as found in the expansive research done on this topic.
 - i. Disregard subsidized employment income for E&T participants, including WIOA on-the-job training and allow reimbursement for On-the-job wages in the E&T Work Based Learning programs.
 - ii. Disregard Work Based learning income while participating in the program in order to maintain SNAP benefit eligibility.
 - iii. Extend Job Retention Supports (transportation, clothing etc) from 90 days to 6 months.
 - **iv.** Expand Transitional Benefits Alternatives to include SNAP E&T participants. This tool has proven effective for cash recipients who transition off benefits due to employment and should be extended to SNAP only participants who do the same.
- **c. Revise Student eligibility requirements for SNAP E&T to include transfer degrees.** Transferable degrees provide a wide range of educational opportunities that expand employability, provide a foundation to build on and bring a bachelor degree into reach.
- d. Permit non-merit staff to perform SNAP E&T screening and referral duties. Currently, USDA considers SNAP E&T screening and referral duties to be "certification" related and therefore requires them to be done by state merit personnel. Employment and Training providers (typically third-party community, college and workforce partners) are experts in understanding employment and training needs. Requiring state certification staff to perform these duties adds processes that complicate service delivery in the eligibility process.

III. Advance Equity

- a. End the prohibition on the simultaneous use of SNAP and FDPIR. No other food distribution program has this prohibition, meaning that tribal populations using tribal food distribution programs are disadvantaged in a way that persons using other food distribution programs are not.
- b. Remove barriers to participating in SNAP for populations currently lacking access (low-income college students, incomeeligible green card holders, etc.).
 - i. **Allow SNAP eligibility for qualified aliens, removing 5-year bar.** Currently qualified aliens require five years of residency to be eligible for SNAP. We also recommend removing the sponsorship requirements tied to this provision, as sponsor information is extremely complex.

- ii. Reduce eligibility requirements for college students. Currently students enrolled at least half-time in an institution of higher education are ineligible to receive SNAP unless they meet exemption criteria or meet additional work requirements. Food insecurity among college students is associated with lower college graduation rates and lower chances of obtaining a bachelor's or advanced degree. Low-income students should no longer be penalized for trying to gain an education. At a minimum, those with 0 percent family contribution should qualify for SNAP.
- iii. Increase mandatory funding for the Senior Farmers' Market Nutrition Program
- c. Allow for income exclusions related to compensation for lived experience; Exempt earned income from participation in state, tribal or federal boards, commissions, councils, or committees, from consideration when determining income eligibility for federal food programs.
- d. **School Meals and Child Nutrition program procurement updates to improve local access**. Direct USDA to apply an approach that expands existing procurement allowances for local and geographic preference in purchasing, as well encourages procurement approaches that consider factors other than lowest-cost bid in awarding contracts in order to maximize purchasing, to the extent possible and appropriate, from local producers and smaller-scale, new and beginning, and/or socially disadvantaged producers.
- Income programs or pilots from SNAP eligibility. Under current law, states may exclude money from privately funded GI programs if their TANF or Medicaid program excludes it, but cannot exclude regular payments from a government source. This creates inconsistent policy across federal program regarding how to treat this type of pilot, causing confusion for both the customer and the state.

IV. Improve Infrastructure and Streamline Administrative Policies

- a. Convene a committee to develop common success metrics to understand the impact of SNAP on social and economic mobility, well-being and customer experience. This committee should develop recommendations for common success measures and identify opportunities to align with other programs that commonly serve SNAP participants.
- b. Update nutrition title programs to simplify access and alignment across safety net program areas, and support education and training programs.
 - i. Require USDA, HHS and DOL to assess best practices and the feasibility of establishing standardized customer consent, data sharing and customer rights across programs.
 - ii. Align federal program success measures to eliminate competition between programs.

- c. Provide permanent federal funding to replace SNAP benefits that have been stolen via identity theft or other methods of third-party fraud including card skimming and cloning. This should also include financial support for state SNAP agencies transitioning to SNAP payment methods and security measures that are in line with industry standards.
- date earned income data available to states. Food and Nutrition Services within USDA should be funded to bear responsibility for making quality and timely data available to states. These tools should continue to be revisited and expanded as necessary to be responsive to need (i.e. leveraging tools to help track income from the gig economy or assets). Finally these tools should be aligned with income verification tools across other programs (i.e. Medicaid) to support streamlined application processing and decrease the administrative burden for customers across programs.
- e. Eliminate the requirement for states to verify applicant employment data through the National Directory of New Hires for SNAP. The data in this system is often out of date (3 to 7 months old) and results in less than 0.01% of households receiving a change in benefits (in most states).
- f. Direct the USDA to create a Technical Assistance Center for Quality Control. The Center should focus on working with state and local agencies on diagnosis of root cause analysis and statistical trends in errors. The Center should provide a broad set of resources and capacity building support to states that operates separately from FNS staff providing oversight and error assignment rates. In addition to supporting states in improving their payment error rates and strengthening program integrity, lessons learned from the Center should be part of a feedback loop back to FNS policy staff to inform potential changes to the 310 Handbook.

We recognize that this is a very comprehensive and lengthy list and that Farm Bill governed nutrition programs represent only part of the social safety net. A comprehensive review and ultimate alignment of eligibility requirements across program areas with a focus of moving upstream with a preventative framework should be part of a comprehensive legislative strategy. However, with the Farm Bill reauthorization pending, we felt it urgent to present our thoughts to you in this focused way.

We thank you for your time and attention and will be happy to engage in more detailed conversations as you set priorities for this important legislation.

Sincerely,

Jilma Meneses, Secretary Department of Social and Health Services Mia Gregerson, Representative Washington State House of Representatives

Co-Chair, Legislative Executive WorkFirst Poverty Reduction Oversight Task Force

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