

SNAP Program Design Branch Program Development Division Food and Nutrition Service, USDA 3101 Park Center Drive Alexandria, VA 22302

RE: RIN 0854-AR62, Proposed Rule Revision of Categorical Eligibility in the Supplemental Nutrition Assistance Program (SNAP)

Dear SNAP Program Design Branch:

Thank you for the opportunity to comment on USDA's Notice of Proposed Rule Making on a Revision of Categorical Eligibility in the Supplemental Nutrition Assistance Program (SNAP).

SPUR is a nonprofit that promotes good planning and good government in the San Francisco Bay Area through research, education and advocacy. We bring together people from across the political spectrum to develop solutions to the big problems cities face. SPUR urges the Administration to withdraw its proposed change to categorical eligibility for SNAP to prevent the harm it will cause Californian children, families, farmers, and grocers.

Based on our research, and that of many other organizations, it's clear that far too many Americans nationwide and in the Bay Area are enduring food insecurity. The proposed change could result in approximately 250,000 - 345,800 people in California losing access to SNAP.

In the nine-county Bay Area in which we focus our work, 11% of adults report being food insecure.<sup>3</sup> Many of those adults are already on SNAP. Should they lose access to SNAP benefits, their food insecurity will worsen. Given the struggle that so many Americans are facing to put food on the table, the administration should be working to expand and strengthen our food assistance safety net, not working to shrink it.

<sup>&</sup>lt;sup>1</sup> SPUR, Healthy Food Within Reach, 2015: www.spur.org/foodaccess

<sup>&</sup>lt;sup>2</sup> We calculated this range based on two estimates. When California implemented broad based categorical eligibility in 2013, the state legislature used USDA Economic Research Service analysis to estimate that the change would increase SNAP caseloads by 6.2%. More recent analysis by Mathematica indicates the loss of categorical eligibility would result in 10% of California's SNAP households losing benefits. California Senate Appropriations Committee, *Fiscal Summary of AB 191 (Bocanegra): CalFresh: Categorical Eligibility*, prepared for August 13, 2013 hearing; Mathematica, "State-by-State Impact of Proposed Changes to 'Broad-Based Categorical Eligibility' in SNAP," <a href="https://www.mathematica-mpr.com/dataviz/impact-of-bbce-proposal-on-snap-caseloads">https://www.mathematica-mpr.com/dataviz/impact-of-bbce-proposal-on-snap-caseloads</a>, accessed September 2019.

<sup>&</sup>lt;sup>3</sup> UCLA Center for Health Policy Research, *Great Bay Area Region Adults Health Profile*, 2016: <a href="http://healthpolicy.ucla.edu/health-profiles/adults/Pages/dashboard.aspx">http://healthpolicy.ucla.edu/health-profiles/adults/Pages/dashboard.aspx</a>

## **SNAP Supports California Families, Farmers and Grocers**

This rule-making would directly, and negatively, impact low-income families and grocery store partners participating in SPUR's Double Up Food Bucks program. This initiative, which we run with five grocery stores in Santa Clara County, provides matching funds so that families and individuals participating in SNAP can buy even more fresh fruits and vegetables at the grocery store. For example, a shopper who spends \$10 of SNAP benefits on California-grown fruits and vegetables at participating stores receives an extra \$10 to spend on any fresh produce in the store. Nearly half of Double Up Food Bucks participants have at least one child 5-years or younger in the household and more than 25% of households have at least one-person age 65 or older. This initiative builds upon SNAP and amplifies its impact by making produce more affordable for low-income families, increasing the economic viability of local agricultural economies and supporting local grocers.

In the first two years of running Double Up Food Bucks<sup>5</sup> in California, 3,431 families redeemed \$181,083 in Double Up Food Bucks coupons at the five participating grocery stores. More broadly, SNAP families spent a total of approximately \$6,780,000 in SNAP across these five stores.<sup>6</sup> If the administration's proposal is implemented, we estimate that at just these five participating grocery stores, that would result in \$420,000 - \$678,000 less in SNAP expenditures and \$11,200 - \$18,100 less in Double Up Food Bucks that Santa Clara County families would spend in the next two years on fruits, vegetables, and other food.<sup>7</sup> This in turn means that California farmers, who benefit from grocery store purchases made using SNAP and Double Up Food Bucks would have fewer sales, expanding the negative impacts of this proposed rule.

## SNAP Categorical Eligibility Supports Student Learning

In addition to the negative and immediate impacts this proposal would have on families that use SNAP, it would also harm students' access to school meals. Students directly certified for free school meals are identified through SNAP. Broad-based categorical eligibility helps more children gain automatic access to free school lunch meals if their families' net incomes are at or below 100 percent of the federal poverty line<sup>8</sup>. The flexibility created by categorical eligibility also allows school districts to alleviate burdensome paperwork for families and school administrators, which in turn leads to administrative savings.

<sup>&</sup>lt;sup>4</sup> Program demographics provided by Double Up Food Bucks California Year 2 Evaluation Report: Intercept Survey, May 2019.

<sup>&</sup>lt;sup>5</sup> See: https://www.spur.org/featured-project/double-food-bucks-california

<sup>&</sup>lt;sup>6</sup> SPUR analysis of SNAP data provided by Double Up Food Bucks partner grocery stores.

<sup>&</sup>lt;sup>7</sup> The estimated impact was calculated by applying estimated decreases in SNAP participation of 6.2% and 10 % based on the analyses of the CA legislature and Mathematic cited earlier.

<sup>&</sup>lt;sup>8</sup> Food Research and Action Center. *Broad-based Categorical Eligibility and School Meals*, 2019: <a href="https://www.frac.org/blog/broad-based-categorical-eligibility-and-school-meals">https://www.frac.org/blog/broad-based-categorical-eligibility-and-school-meals</a> Also see: <a href="https://www.cdss.ca.gov/inforesources/CDSS-Programs/CalFresh/Eligibility-and-Issuance-Requirements#poverty">https://www.cdss.ca.gov/inforesources/CDSS-Programs/CalFresh/Eligibility-and-Issuance-Requirements#poverty</a>

As we noted in our report *Healthy Food Within Reach*, improving access to school meals is one of the best strategies we have available for improving food security and nutrition for California kids.<sup>9</sup> In the nine Bay Area counties, an average of 42 percent of students (375,000 total) receive lunch through their schools each day, with three out of four of those students receiving meals for free or at a reduced price. Kids who are well fed are not only healthier, but also can better focus on learning at school. In addition, free school meals support families struggling to make ends meet by helping to stretch their food budgets at home further.

The administration's proposal does not address its effect on eligibility for school meals, or the harm to children and their families from losing access to free meals at school. As a result, we cannot adequately comment on the administration's evaluation of this impact and its reasoning as to why the proposed rule is justified despite this negative effect.

In sum, the proposed rule change would terminate SNAP for an estimated 250,000 - 345,800 California households causing a significant number of families to lose modest assistance they need to purchase food, stay out of poverty, and maintain their health. It also lessens their purchasing power, harming farmers and grocers. It also hurts students, school, and local communities by reducing the number of students who qualify for free or reduced school meals.

We urge the Administration to withdraw its proposed change to categorical eligibility for SNAP to prevent the harm it will cause California children, families, farmers, and grocers.

Sincerely,

Eli Zigas, Food and Agriculture Policy Director

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Katie Ettman, Food and Agriculture Policy Associate

<sup>&</sup>lt;sup>9</sup> See footnote 1.