

SNAP Certification Policy Branch Program Development Division Food and Nutrition Service 3101 Park Center Drive U.S. Department of Agriculture Alexandria, VA 22302

RE: RIN 0584-AE69, Proposed Supplemental Nutrition Assistance Program (SNAP): Standardization of State Heating and Cooling Standard Utility Allowances

Dear SNAP Certification Policy Branch,

Thank you for the opportunity to comment on USDA's Notice of Proposed Rule Making on the Standardization of State Heating and Cooling Standard Utility Allowances 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 heating and cooling standard utility allowances for SNAP to prevent the harm it will cause Californian children, older adults, 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. According to USDA's estimates, the proposed rule would cut SNAP benefits by \$4.5 billion over five years nationally, with 19% of SNAP households experiencing a cut to benefits and 8,000 households losing SNAP eligibility entirely.

In California, USDA's Regulatory Impact Analysis estimates SNAP benefit cuts to be even more prevalent, with 25.61% of households experiencing a loss. According to The Center on Budget and Policy Priorities analysis, based on the USDA Regulatory Impact Analysis for the proposed rule and FY2017 Household Characteristics (also known as Quality Control) data, the per household loss in SNAP benefits would be \$10 per month². The California Department of Social Services reports that as of August 2019 there were 2,115,869 SNAP households in California. Using USDA's estimate, the proposed rule will cut SNAP benefits for more than 541,800 of those households.

¹ SPUR, Healthy Food Within Reach, 2015: www.spur.org/foodaccess

² The Center on Budget and Policy Priorities, Estimated Impacts in States That Would Be Hardest Hit by the Administration's Proposed Changes to SNAP Standard Utility Allowances (SUA's), October 25, 2019.

In the nine-county Bay Area in which we focus our work, 11% of adults report being food insecure.³ 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.

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 Bucks⁵ 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.⁶ If the administration's proposal is implemented, we estimate that at just these five participating grocery stores, that would result in drastically less overall SNAP expenditures and Double Up Food Bucks that Santa Clara County families would spend in the next two years on fruits, vegetables, and other food. 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.

In sum, the proposed rule change would cut SNAP for an estimated 541,800 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.

We urge the Administration to withdraw its proposed change to heating and cooling standard utility allowances for SNAP to prevent the harm it will cause California children, older adults, families, farmers, and grocers.

3

³ UCLA Center for Health Policy Research, *Great Bay Area Region Adults Health Profile*, 2016: http://healthpolicy.ucla.edu/health-profiles/adults/Pages/dashboard.aspx

⁴ Program demographics provided by Double Up Food Bucks California Year 2 Evaluation Report: Intercept Survey, May 2019.

⁵ See: <u>https://www.spur.org/featured-project/double-food-bucks-california</u>

⁶ SPUR analysis of SNAP data provided by Double Up Food Bucks partner grocery stores.

Sincerely,
Hatie R Ettuan
Katie Ettman, Food and Agriculture Policy Associate