

Client-Driven Solutions: *Recommendations for Improvements to SNAP*



BY

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Introduction

Nebraska is a great place to work and raise a family. However, despite working hard, many Nebraskans find it difficult to make ends meet and to provide for the basic needs of their families. Many in our state are food insecure, struggling to put food on the table each month. One program that helps hungry families afford nutritious food is the Supplemental Nutrition Assistance Program (SNAP). While SNAP provides many Nebraskans with crucial food assistance, it could be leveraged to do more in our state. Often, families who are working to put themselves in a better economic position are removed from the program before they are fully able to purchase food on their own. This forces parents to make tough choices about paying the bills and results in children experiencing difficulty in learning and growing.

To better understand the experience of Nebraskans struggling with hunger, Nebraska Appleseed conducted focus groups and one-on-one interviews with individuals utilizing food assistance programs, including SNAP. These focus groups and interviews were conducted in a number of locations across Nebraska: Lincoln, Omaha, Schuyler, Norfolk, Grand Island, North Platte, and Loup City. Participants filled out a survey, discussed their experiences, and provided recommendations for improving access to food assistance programs. A number of participants expressed their struggle with or fear of the “cliff effect”—taking a job or raise and losing necessary support before they were ready.



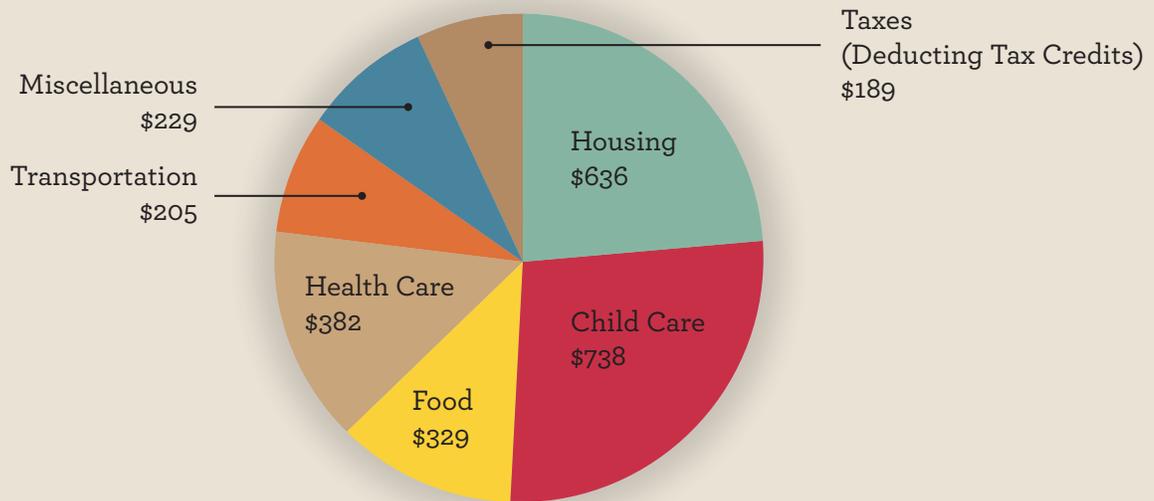
This paper discusses the changes recommended by SNAP participants to increase access to SNAP, help alleviate the cliff effect, and improve the well-being of Nebraska families.

The Need for Food Assistance – Focus Groups from Across Nebraska

Despite working hard, many Nebraska families are food insecure, meaning they struggle to put food on the table. Specifically, 13.4% of Nebraska households are food insecure.¹ Households are considered food insecure when one or more household members reduces food intake and experiences disrupted eating patterns due to a lack of money and other resources for food.² As a result of food

insecurity, children struggle to learn and grow, and parents are forced to make difficult decisions about how to pay the monthly bills.

Food is a significant portion of a family's monthly basic needs budget.³ The table below represents the basic needs budget of a single parent of a preschool-aged child in Lancaster County:



The focus group and interview participants described their struggles to afford food for their families.

Kathy⁴ from Grand Island explained:
“There’s been times when my daughter doesn’t eat for the whole day until supper time because everything is planned for a meal, and there’s not much there...there’s been plenty of times I cried over it because my little one’s

telling me she’s hungry, and I’m looking in the refrigerator, and it’s not there.”

Charlene from Omaha said:

“Sometimes I’m stressed out to the point where I don’t know if I’m going to make it the next day or what I’m going to do to feed my kids.”

These stories, as well as those of the many other food insecure Nebraskans, exemplify the need to ensure food assistance programs, like SNAP, are as effective as possible.

SNAP in Nebraska

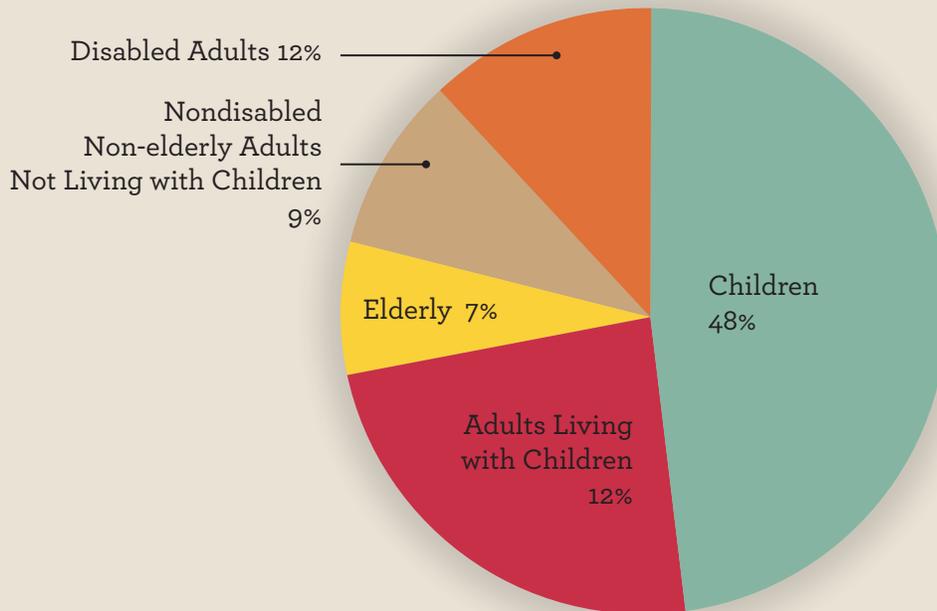
SNAP helps hungry Nebraskans afford healthy food each month. Eligible low-income households receive a certain amount of SNAP dollars each month to help purchase food. The size of the SNAP benefit a household receives is based on the household's size and income, as well as certain expenses like health care, child care, and rent.⁵ SNAP benefits are fully federally



funded, and half of all administrative costs are federally funded.⁶

SNAP reaches almost 180,000 Nebraskans each month – around 10% of the state's population.⁷ As shown in the chart below, SNAP participants include working parents, children, and seniors.⁸

Nebraska SNAP Participants



Gaps in Food Assistance and the Cliff Effect

Unfortunately, because of the way that Nebraska SNAP rules are structured, not all families who are struggling to afford food are able to access food assistance. Too often Nebraska's SNAP income rules mean that families lose access to SNAP before their earnings are such that they can be economically independent. These rules prevent families from taking a raise or getting a new job.

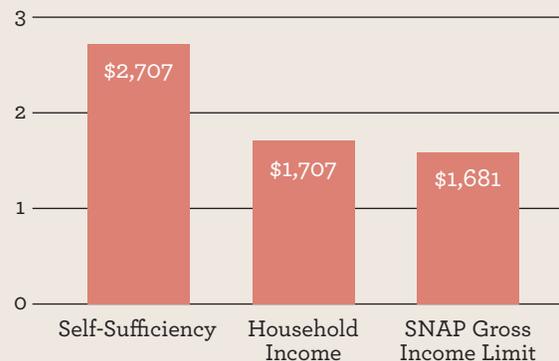
Sherry from Norfolk had been offered a better job but was hesitant to take it because she was scared of losing food assistance. Even with a better paying job, she was afraid she could not afford to meet her family's basic needs without SNAP:

"As bad as I want to say yes to this job, there's some times where I'm like well maybe I should say no because I get help with food stamps now, and it's great. I don't know where I would be without help with food stamps or WIC, it would be really hard. But, I don't want to receive assistance forever."

Charlene from Omaha shared a similar story. She stressed that just because people make a few extra dollars over the limit, they should not lose assistance immediately without time to create a new budget and know what to expect.

Currently, to be eligible for SNAP in Nebraska, households must have a gross income below 130% of the Federal Poverty Level (FPL) (about \$2,100 per month for a family of three) and a net income after certain deductions below 100% FPL (about \$1,600 per month for a family of three).⁹ For some families, moving into a better job means earning more than the gross income limit, leaving them ineligible for SNAP but still struggling to put food on the table. For example, a single parent of a preschool aged child in Lancaster County earning \$1,707 per month would be ineligible for SNAP but still \$1,000 short of being self-sufficient each month:¹⁰

Monthly Self-Sufficiency Income vs. SNAP Gross Income Limit



Families can earn more money and seemingly move into a better economic position but still have a net income below the poverty line. In this situation, families experience the "cliff effect" and are worse off because they lose SNAP before their earnings are sufficient for them to stand on their own two feet. Parents are forced to choose between taking a better job and moving forward or being able to feed their families.

Recommended Change – Reward Work by Increasing the Gross Income Limit

The gross income limit can be changed to address the cliff effect in SNAP. Increasing the gross income limit would allow families to increase wages without losing essential food assistance before they can afford it. Expenses such as health care, child care, and rent are currently taken into consideration when determining how many SNAP dollars families receive. This change would take into account more of a family's household bills to determine whether or not they qualify for the program. In other words, the gross income limit increases, but the net income limit stays the same.

This choice has been taken up by several other states. As of May 2012, 28 states, Washington D.C., and Guam have elected to take up this option.¹¹ As a result of an increased gross income limit, more low-

income households with net incomes below the poverty level will be able to access nutrition assistance.¹² Families will be able to advance and take better jobs without losing assistance before they are ready.

Additionally, increasing the SNAP gross income limit boosts the state economy. For example, in November 2010, the Minnesota state legislature increased its gross income threshold to 165% FPL. By May 2011, the Minnesota Department of Human Services reported that the higher gross income limit had resulted in \$4.6 million in new SNAP benefits spent at Minnesota grocery stores and over \$40 million in new economic activity in the state.¹³

Conclusion

SNAP is an extremely important program that helps Nebraska's hungry families put food on the table each month. But it can and should do more. The SNAP gross income

limit could be changed to better support working families, reduce the cliff effect, and reward work.

- 1) Coleman-Jensen, Alisha, Mark Nord, and Anita Singh, United States Department of Agriculture, Economic Research Service, "Household Food Security in the United States in 2012," September 2013, <http://www.ers.usda.gov/publications/err-economic-research-report/err155.aspx#.UscLsaWAE5e>
- 2) *Id.*
- 3) Self-Sufficiency Standard for Nebraska, 2010, <http://www.selfsufficiencystandard.org/pubs.html>
- 4) Names have been changed.
- 5) United States Department of Agriculture, Food and Nutrition Service, "Supplemental Nutrition Assistance Program (SNAP): Eligibility," <http://www.fns.usda.gov/snap/eligibility#Resources>
- 6) Center on Budget and Policy Priorities, "Policy Basics: Introduction to the Supplemental Nutrition Assistance Program (SNAP)," March 2013, <http://www.cbpp.org/cms/index.cfm?fa=view&id=2226>
- 7) United States Department of Agriculture, Food and Nutrition Service, "Supplemental Nutrition Assistance Program: Number of Persons Participating," Dec. 6, 2013, <http://www.fns.usda.gov/pd/29SNAPcurrPP.htm>; Center on Budget and Policy Priorities, "Nebraska Supplemental Nutrition Assistance Program," <http://www.cbpp.org/files/1-14-13fa/NE.pdf>
- 8) Center on Budget and Policy Priorities, "Nebraska Supplemental Nutrition Assistance Program."
- 9) Center on Budget and Policy Priorities, "Policy Basics: Introduction to the Supplemental Nutrition Assistance Program (SNAP)."
- 10) Nebraska Department of Health and Human Services, "Supplemental Nutrition Assistance Program - Program Guidelines," Nov. 2013, http://dhhs.ne.gov/children_family_services/Pages/fia_guidelines.aspx
- 11) *Id.*
- 12) *Id.*
- 13) *Id.*



Nebraska Appleseed is a nonprofit organization that fights for justice and opportunity for all Nebraskans. We take a systemic approach to complex issues - such as child welfare, immigration policy, affordable health care, and poverty -

and we take our work wherever we believe we can do the most good, whether that's at the courthouse, in the statehouse, or in the community. We would like to thank the ConAgra Foundation for its support, which allowed this project to happen.

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