

# Senate Human Services Committee

## **Federal Rule Changes Impacting Self-Sufficiency Programs**

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# OVERVIEW

There are four finalized or proposed federal rule changes that impact the Supplemental Nutrition Assistance Program (SNAP). Changes will impact rules around:

1. Able-bodied Adults without Dependents (ABAWD)
2. Standard Utility Allowance (SUA)
3. Broad-Based Categorical Eligibility (BBCE)
4. Public Charge

These rule changes affect vulnerable families who are working, are under employed or are receiving low wages. They limit our flexibility to help Oregonians and create a hard line for benefits, resulting in a benefit cliff.

# ABLE-BODIED ADULTS WITHOUT DEPENDENTS

Able-bodied adults without dependents (ABAWDs) are defined as persons ages 18 to 49 without children under 18 in their filing group. Federal law requires ABAWDs be limited to three months of SNAP benefits in a 36-month period if the person is not working, in training, exempt or living in a waived area.

# ABAWD: CHANGES

The final rule changes the unemployment criteria states need to meet to be eligible for waivers and defines areas as only those meeting a labor market area identified by the Bureau of Labor Statistics.

Oregon will need to reapply for an ABAWD waiver for counties that meet the new federal criteria.

- The rule was finalized on December 5, 2019
- The rule will become effective on April 1, 2020

# ABAWD: IMPACT TO OREGONIANS

Based on the final rule changes, Oregon estimates:

- DHS will connect with more than 19,000 ABAWDs in Oregon to determine if they meet the work and training requirements or if they meet an exemption
- In April 2020, at least 30 counties will have to apply SNAP time limits (pending federal approval)
- Analysis is still occurring to see if six of Oregon's counties can still qualify for a federal exemption to the ABAWD policy (Crook, Curry, Grant, Harney, Klamath and Wallowa)

# OREGON SUPPORTS ABAWD WITH EMPLOYMENT & TRAINING SERVICES

- Supervised Job Search
- Job Search Training
- Job Retention
- Work Experience
- Internship
- On-the-Job Training
- Pre-apprenticeship
- Apprenticeship
- Self-employment Training
- Basic Education
- Foundational Skills
- Career & Technical Education, Vocational Training or Short-term Training
- English Language Acquisition
- Integrated Education and Training/Bridge Program
- Work Readiness Training
- Workfare

# STANDARD UTILITY ALLOWANCE

The proposed rule will revoke the ability for states to calculate their own Standard Utility Allowances (SUAs), setting a national standard at the 80th percentile of utility costs paid by low-income households.

- Proposed on October 3, 2019
- Comment period ended December 2, 2019
- Final rule not yet published

# SUA: IMPACT TO OREGONIANS

Based on the proposed rule changes, Oregon estimates:

- 43% of households (157,946 SNAP recipients) would be impacted, seeing an average SNAP benefit reduction of \$35 per month
- This is a total annual benefit loss of \$60 million, or 6%, of Oregon's total SNAP benefit allotments



# BROAD-BASED CATEGORICAL ELIGIBILITY (BBCE)

- The current policy reduces the administrative burden on states and creates greater efficiencies in the program.
- It provides significant support for working families who face high housing and child care costs to set aside some savings without losing their SNAP benefits.
- It supports working families in their efforts to sustain employment and move towards full economic stability.
- Public Comment for this rule has closed. No final rule has been issued and there is no known date of implementation.

# BBCE: PROPOSED CHANGES

- Limit categorical eligibility to those households receiving ongoing and substantial benefits. They define this to be cash benefits of at least \$50 per month for at least 6 months from a Temporary Assistance For Needy Families (TANF) or State-MOE funded program
- Limit non-cash TANF benefits conferring categorical eligibility to include only those providing subsidized employment, work support & childcare
- Require states inform Food and Nutrition Services (FNS) of all non-cash TANF benefits that confer categorical eligibility
- Require that families with no elderly or disabled members have a gross income below 130% of the Federal Poverty Level (FPL)

# BBCE: IMPACT TO OREGONIANS

Based on the proposed rule changes, Oregon estimates:

- approximately 6%, of the 351,540 SNAP households, about 21,093, will be immediately impacted by the passage of these proposed changes (based on SNAP caseloads having countable income over 130% FPL)\*
- This estimated immediate impact exceeds the USDA projections of 4.9% (Food and Nutrition Services (FNS), USDA, 2019)

\*Sept. 2019

# PUBLIC CHARGE

Public charge describes a person deemed to be primarily dependent on government for subsistence or deemed likely to become so at any time in the future.

The Public Charge test is used by immigration officials to decide whether a person can enter the U.S. or get Lawful Permanent Resident status, (i.e., a green card), for legal immigration. Does not apply to naturalization.

- Due to take effect on October 15, 2019 but an injunction stopped implementation. If or when it is implemented, it will not be retroactive.

# PUBLIC CHARGE: RULE CHANGES

- Changed the definition
- Increased the number of programs considered for public charge to include;
  - Supplemental Nutrition Assistance Program
  - Medicaid (except emergency services; children under 21 and pregnant women)
  - Public Housing (including Section 8 housing vouchers and Project-Based Section 8)
- Created criteria to be considered positive or negative (age, disability, employment history)

# PUBLIC CHARGE: IMPACT TO OREGONIANS

It is unclear how many Oregonians will be impacted by this federal policy change. DHS anticipates that individuals currently receiving benefits will withdraw from programs like SNAP due to fear that receipt of the benefits might affect the immigration status of themselves or a family member.

# Thank you