



**House Committee on Agriculture; Subcommittee on Nutrition,
Oversight, and Department Operations**

Addressing Proposed Changes to SNAP Waiver Area Criteria

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Good morning, Chairwoman Fudge, Ranking Member Johnson, and distinguished members of the subcommittee. Thank you for inviting me to testify at today’s hearing, “Examining the Proposed ABAWD Rule and its Impact on Hunger and Hardship.” I am an associate director in Mathematica’s Human Services Division and the director of a project, commissioned by the Robert Wood Johnson Foundation, to develop credible and objective estimates of the effect of proposed legislative and regulatory changes to the Supplemental Nutrition Assistance Program—or SNAP. My Mathematica colleagues and I are proud of this work, and appreciate the opportunity to apply our combined expertise in data, methods, policy, and practice to help enhance understanding of SNAP, refine strategies for its implementation, and ultimately improve the effectiveness of the program.

SNAP, the largest of the domestic nutrition assistance programs administered by the Food and Nutrition Service of the U.S. Department of Agriculture (USDA), provides nutrition assistance to eligible, low-income people in need. The proposed regulatory change we are here to discuss today would affect a subset of the overall SNAP population—about 3 percent of the 41.5 million who participated in the program in fiscal year 2017. According to our analysis of fiscal year 2017 SNAP Quality Control (QC) data, the vast majority of SNAP participants who could be affected by the proposed rule are in deep poverty, and many live alone.

In my testimony today, drawn from a research brief produced for the Robert Wood Johnson Foundation project, I will (1) outline the proposed regulatory changes, (2) discuss the estimated impacts, (3) summarize the characteristics of SNAP participants potentially impacted, and (4) suggest additional data collection and research to help inform this discussion.¹

UNDERSTANDING THE PROPOSED REGULATORY CHANGES

Currently, SNAP participants ages 16 to 59 must register for work unless they are already working at least 30 hours per week; have a disability; or meet other criteria, such as caring for a young child or an incapacitated person. Work registrants who are ages 18 to 49 in childless SNAP households are subject to additional work requirements and a time limit: they must work an average of at least 20 hours per week to continue receiving SNAP benefits for more than three months in a three-year period. They are exempt from the time limits, however, if they (1) participate in a qualifying employment and training program or other meaningful work activity; (2) have a discretionary exemption from the state agency; or (3) live in a waiver area, an area for which the state agency requested and received a federal waiver from time limits because of high unemployment.

Table 1 shows how USDA’s proposed regulatory change would eliminate or modify some current waiver area policies and leave others unchanged. In recent years, states based most of their requests for geographic waivers on an area qualifying for the extended unemployment benefits authorized during the Great Recession or experiencing an unemployment rate at least 20 percent above the national average. After SNAP time limits were reinstated following the Great Recession, some states have requested and received waivers for all or parts of the state, while others have not requested any time limit waivers at all. Table 2 illustrates how the prevalence of state time limit waivers changed from 2009 through 2018. Currently, 17 states have no waiver areas, either because no area in the state qualified or the state agency chose not to request a waiver (Table 3). Although states with the highest unemployment rates in 2018—Alaska and New Mexico—had statewide waivers, others with overall unemployment rates above the national average of 3.9 percent chose not to apply for a waiver for any areas of the state.

¹ Cunnyngham, Karen. “Proposed Changes to the Supplemental Nutrition Assistance Program: Waivers to Work-Related Time Limits.” Issue brief submitted to the Robert Wood Johnson Foundation. Washington, DC: Mathematica Policy Research, March 2019.

Table 1. Waiver area policies

Current policy	Proposed regulatory change
Criteria to establish waiver area	
The U.S. Department of Labor designated the area as a Labor Surplus Area based on a recent 24-month average unemployment rate that is either (1) at least 10 percent or (2) at least 6 percent and at least 20 percent above the national average	Eliminated
The Department of Labor determined that the area meets the criteria for extended unemployment benefits , available to workers who have exhausted regular unemployment insurance benefits during periods of high unemployment	No change
Data from the U.S. Bureau of Labor Statistics (BLS) show the area had a recent 12-month average unemployment rate greater than 10 percent	No change
Data from BLS show the area had a recent 24-month average unemployment rate at least 20 percent above the national average	The unemployment rate also must be at least 7 percent
Alternate sources indicate a lack of sufficient jobs in an area, including an unemployment rate estimated with data from BLS and the Census Bureau’s American Community Survey; a low and declining employment-to-population ratio ; a lack of jobs as a consequence of declining occupations or industries; or an academic study or other publication describing the area’s lack of a sufficient number of jobs	The alternate criteria will be applicable only to areas for which data from BLS or a BLS-cooperating agency are limited or unavailable, such as a reservation area or U.S. territory
Other waiver area policies	
Waivers may be statewide	Only waivers based on extended unemployment benefits may be statewide
State agencies may combine data from substate areas, such as counties, that are contiguous, share an economic region, or both	State agencies may combine data only for areas collectively designated as Labor Market Areas by BLS
Waivers may extend beyond the fiscal year	Waivers based on a 24-month average unemployment rate may not extend beyond the fiscal year
Approval by governor not explicitly required	Governor must approve waiver request

Table 2. Waiver area timeline

April 2009 to September 2010	Congress temporarily suspended the time limits through the American Recovery and Reinvestment Act.
October 2010 to December 2015	In fiscal year 2011, time limits continued to be waived based on extended unemployment benefits for 45 states, the District of Columbia, Guam, the Virgin Islands, and some areas of five additional states. By the end of fiscal year 2015, time limits were re-implemented in 9 states and in some areas of 13 other states.
January 2016 to fiscal year 2017	Few areas still qualified for extended unemployment benefits, but many areas received time limit waivers based on other indicators of high unemployment, such as an unemployment rate at least 20 percent above the national average. Seventeen states had no waiver areas for most of this time.
December 2018	Seventeen states have no waiver areas; seven states, the District of Columbia, Guam, and the Virgin Islands have time limit waivers for their entire area; and the remaining states have waivers for some but not all areas of the state.

Table 3. Current state waiver areas

No waiver areas		Some waiver areas			Statewide waiver
Alabama	Mississippi	Arizona	Massachusetts	Pennsylvania	Alaska
Arkansas	Missouri	California	Michigan	Rhode Island	District of Columbia
Delaware	Nebraska	Colorado	Montana	South Dakota	Guam
Florida	North Carolina	Connecticut	Nevada	Tennessee	Louisiana
Indiana	Oklahoma	Georgia	New Hampshire	Utah	New Mexico
Iowa	South Carolina	Hawaii	New Jersey	Vermont	Virgin Islands
Kansas	Texas	Idaho	New York	Virginia	
Maine	Wisconsin	Illinois	North Dakota	Washington	
	Wyoming	Kentucky	Ohio	West Virginia	
		Maryland	Oregon		

Source: The Food and Nutrition Service’s “ABAWD Waiver Status” reports available at <https://www.fns.usda.gov/snap/abawd-waivers>.

DISCUSSION OF ESTIMATED IMPACTS

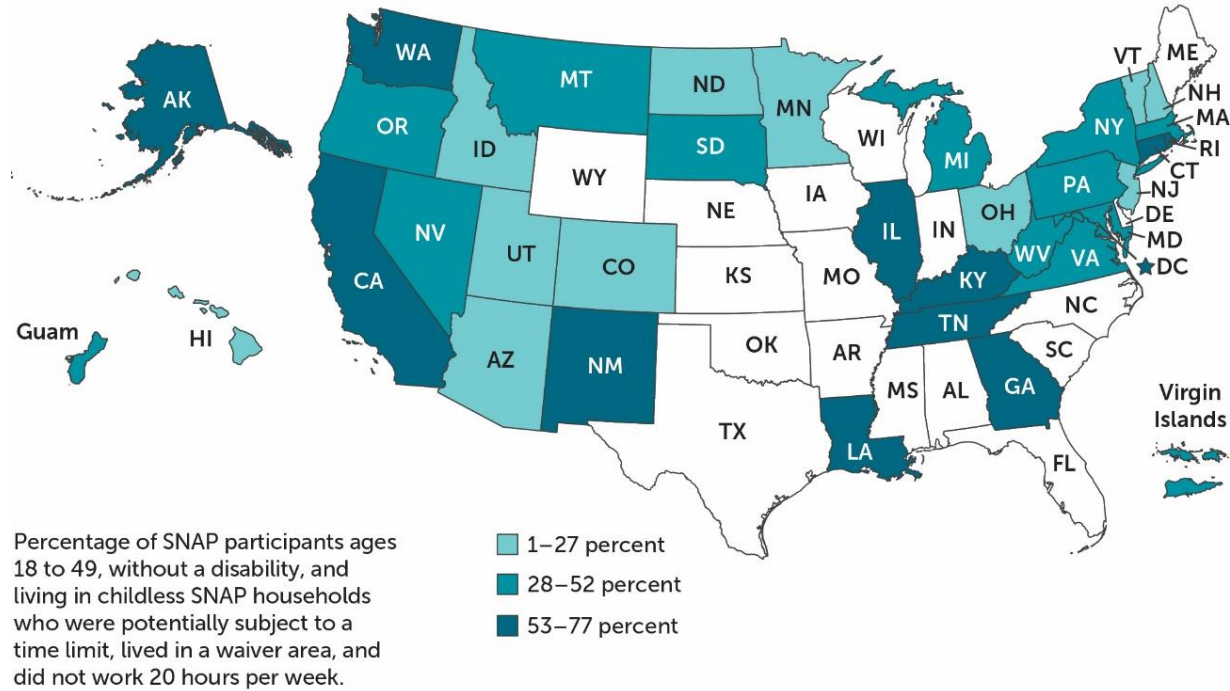
According to USDA’s Regulatory Impact Analysis of the proposed rule, an estimated three-quarters of ABAWDs currently living in a waiver area would be newly subject to a three-month limit on their benefits.² Some of them would increase their existing work to an average of 20 hours per week, find work, or meet the work requirements by participating in an employment and training program or workfare (that is, unpaid work through a state-approved program). But USDA estimates that between 755,000 and 851,000 people in 2020, depending on future unemployment rates, would not meet the additional work requirements and would therefore lose eligibility after three months. For those living with others unaffected by the policy change, the SNAP household could continue to receive benefits, but the amount would be reduced; those living alone would lose all SNAP benefits. Nationally, the proposed regulatory changes would result in a 2.5 percent reduction in spending on SNAP benefits, according to USDA estimates.

The potential impact would vary by state and depends on a variety of factors, including state agency policies, the local labor market, and the characteristics and circumstances of the participants. We used fiscal year 2017 SNAP QC data to estimate state percentages of SNAP participants ages 18 to 49, without a disability, and living in childless SNAP households who could be newly subject to a time limit (Figure 1). SNAP participants in the 17 states without

² ABAWDs, or “able-bodied adults without dependents” are SNAP participants who are subject to work registration, ages 18 to 49, without a disability, and living in childless SNAP households.

waiver areas would not be affected by the proposed changes because they already face time limits unless they are engaged in meaningful work activities or are exempt for other reasons. In other states, the state agency may offer a slot in a qualifying employment and training program to participants who would otherwise face a time limit or use federal “percentage exemptions” to exempt some SNAP participants from the time limit.

Figure 1. Estimated impact by state



Source: Fiscal year 2017 SNAP QC data.

Notes: States with a white background did not have waiver areas in fiscal year 2017. See appendix table for state percentages.

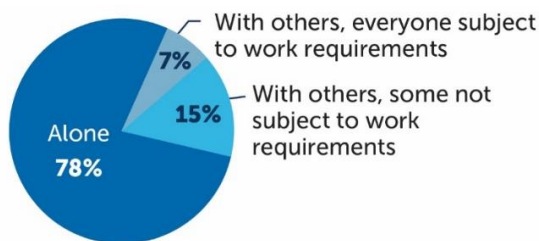
In many states with waiver areas, at least some SNAP participants living in those areas would be newly required to work an average of at least 20 hours per week to continue receiving benefits for more than three months. Both the local labor market and SNAP participants’ job readiness will affect their ability to find work. Although the national overall unemployment rate was 3.9 percent in 2018, according to BLS estimates, that rate represents an average, and some groups are much less likely to find steady work. For example, the unemployment rate for young adults ages 20 to 24 was 6.9 percent, and the rate for African American men was 7.0 percent. Access to a well-funded and robust SNAP employment and training program—which is not currently available in many areas—could help participants meet the work requirements.

In addition, the characteristics and circumstances of SNAP participants will influence whether they lose eligibility for SNAP under the proposed change. For example, certain SNAP participants are not required to register for work because they care for an incapacitated person or meet other criteria; work requirements will not change for these participants. On the other hand, some participants who newly face a time limit might choose to forgo SNAP benefits and rely on other available resources, such as food banks or family members, rather than comply with work requirements.

CHARACTERISTICS OF SNAP PARTICIPANTS POTENTIALLY IMPACTED

Mathematica used fiscal year 2017 SNAP QC data to examine the characteristics of SNAP participants who could face time limits on receiving SNAP benefits under the proposed regulatory change. In fiscal year 2017, 8 percent of all SNAP participants (3.2 million people) were ages 18 to 49, did not have a disability, and did not live with a child. Twenty-one percent of this group were working an average of at least 20 hours per week, with the percentage ranging from 9 percent to 36 percent across states. An estimated 1.2 million SNAP participants were not working an average of at least 20 hours per week and would have faced time limits but didn't because they lived in a waiver area. Among these SNAP participants who could be affected by the proposed regulatory changes:

- 97 percent lived in poverty, compared with 80 percent of other SNAP participants.
- 88 percent had household income at or below 50 percent of the poverty level, compared with 39 percent of other SNAP participants.
- Among the one-third living in SNAP households with reported income, the average monthly household income was \$557, or 43 percent of the poverty level.
- 11 percent were working, although less than an average of 20 hours per week, and another 6 percent lived with someone else who was working.
- 5 percent lived with a person with a disability.
- The average monthly SNAP benefit was \$181 per person, compared with \$120 for other SNAP participants.
- 78 percent lived alone (Figure 2), compared with 23 percent of other SNAP participants.

Figure 2. Living situation of those potentially affected

Source: Fiscal year 2017 SNAP QC data.

DATA-DRIVEN DECISION MAKING

Objective, rigorously derived estimates of the potential impacts of proposed policy changes can provide additional insight for policymakers like you, who are faced with difficult decisions about how to allocate scarce resources in a way that helps the people who are most in need. To conduct the analysis I just described, we used the fiscal year 2017 SNAP QC data available at <https://host76.mathematica-mpr.com/fns/>. Details about the small amount of data cleaning we did to ensure that state estimates aligned with state policy, and how we tabulated the data, are available upon request.

Further analysis of existing data could provide additional insights into the likely effects of the proposed regulatory change. For example, state estimates of the number of people potentially affected could be refined using county-level data from state and federal sources, incorporating more detailed information on which current waiver areas would not qualify under the proposed criteria. Examining unemployment rates for subgroups of a state population would also provide valuable insights into the availability of jobs for SNAP participants and the potential for some groups to experience a disproportionate impact from proposed changes. In addition, new data collection on the circumstances of people who lose eligibility for SNAP because of time limits could help policymakers understand whether and how well policy objectives are being achieved. Finally, Mathematica's evaluation of SNAP employment and training pilots for USDA will provide important information on innovative strategies for increasing employment and earnings among SNAP participants.

I'm grateful for the opportunity to share this evidence, as well as the companion issue brief attached to my written statement, with you today. Thank you.

Table A.1. Estimated state percentage of SNAP participants that could potentially be affected by proposed changes to waiver area criteria

SNAP participants ages 18 to 49, without a disability, and living in childless SNAP households who were potentially subject to a time limit, lived in a waiver area, and did not work 20 hours per week

	Waiver areas	Number (in thousands)	Percentage of all SNAP participants ages 18 to 49, without a disability, and living in childless SNAP households
Alabama	none	0	0
Alaska	Statewide	7	72
Arizona	Some	15	20
Arkansas	none	0	0
California	Statewide	300	65
Colorado	Some	3	12
Connecticut	Some	26	62
Delaware	none	0	0
District of Columbia	Statewide	8	53
Florida	none	0	0
Georgia	Some	81	66
Guam	Statewide	1	37
Hawaii	Some	*	1
Idaho	Some	*	1
Illinois	Statewide	178	77
Indiana	none	0	0
Iowa	none	0	0
Kansas	none	0	0
Kentucky	Some	32	54
Louisiana	Statewide	56	73
Maine	none	0	0
Maryland	Some	18	31
Massachusetts	Some	18	28
Michigan	Some	78	51
Minnesota	Some	2	6
Mississippi	none	0	0
Missouri	none	0	0
Montana	Some	3	28
Nebraska	none	0	0
Nevada	Statewide	25	41
New Hampshire	Some	*	2
New Jersey	Some	1	2
New Mexico	Statewide	27	53
New York	Some	84	39
North Carolina	none	0	0
North Dakota	Some	*	4
Ohio	Some	4	4

SNAP participants ages 18 to 49, without a disability, and living in childless SNAP households who were potentially subject to a time limit, lived in a waiver area, and did not work 20 hours per week

	Waiver areas	Number (in thousands)	Percentage of all SNAP participants ages 18 to 49, without a disability, and living in childless SNAP households
Oklahoma	none	0	0
Oregon	Some	46	50
Pennsylvania	Some	51	43
Rhode Island	Statewide	14	75
South Carolina	none	0	0
South Dakota	Some	3	44
Tennessee	Some	69	67
Texas	none	0	0
Utah	Some	*	1
Vermont	Some	*	5
Virgin Islands	Statewide	1	39
Virginia	Some	20	46
Washington	Some	60	53
West Virginia	Some	15	47
Wisconsin	none	0	0
Wyoming	none	0	0

*less than 500

Source: Fiscal year SNAP Quality Control data

Percentage of SNAP participants ages 18 to 49, without a disability, and living in childless SNAP households who were potentially subject to a time limit, lived in a waiver area, and did not work 20 hours per week.

- 1–27 percent
- 28–52 percent
- 53–77 percent