



## **Alliance to End Hunger Opposes Proposed Rule Revising Categorical Eligibility in the Supplemental Nutrition Assistance Program**

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WASHINGTON DC, August 23, 2019 – The Administration has released a proposed rule substantially changing the eligibility guidelines regarding the Supplemental Nutrition Assistance Program (SNAP) by limiting the use of expanded categorical eligibility. The Alliance to End Hunger strongly opposes such a plan and urges the withdrawal of the proposal.

Currently, SNAP utilizes a policy called broad-based categorical eligibility (BBCE) to provide flexibility to states by removing SNAP asset tests and using a higher income test. Participants vetted through similar programs, such as Temporary Assistance for Needy Families (TANF) are automatically eligible for SNAP. The use of this rule by over 40 states has encouraged work and savings among low-income households and has reduced administrative burdens, including taxpayer-funded costs.

The Administration’s plan to curb categorical eligibility would result in a significant rise in hunger among our most vulnerable residents. USDA estimates about 3.1 million individuals will no longer be eligible for SNAP. Additionally, it is estimated that more than 500,000 children from families who would lose their SNAP benefits would also lose automatic eligibility for free and reduced-price school meals. Given their levels of participation in TANF and free/reduced-price school meal programs, it is likely African-American and Latino families will be disproportionately impacted by this policy change.

USDA estimates SNAP benefits would be cut over five years by \$10.5 billion, but SNAP administrative costs would increase by \$2.3 billion. USDA acknowledges the proposed rule will “negatively impact food security and reduce the savings rates among those individuals” impacted by the rule.

Categorical eligibility has proven to be highly effective. Among other positive developments, it allows for benefits to phase out gradually, as opposed to an abrupt elimination of benefits as soon as a household crosses the eligibility threshold. This incremental process helps to support households as they transition off of benefits such as SNAP. Further, policies such as this proposal that disincentivize beneficiaries from contributing to savings are fundamentally contrary to the goals of eliminating poverty and food insecurity.

Limiting categorical eligibility was debated and discarded by Congress during the bipartisan 2018 Farm Bill negotiations. The Administration should not impose it now. The Alliance to End Hunger calls on the Administration to withdraw this proposal. We will continue to work with our coalition members and partners, as well as Members of Congress and the Administration, to ensure SNAP is protected and continues to play a vital role in the lives of food-insecure families.