

# Senate Standing Committee on Social Services Senate Standing Committee on Aging

Van Buren Hearing Room A  
Legislative Office Building, Albany

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Thank you Chairwoman Persaud and the members of the Social Services Committee, Chairwoman May and the members of the Aging Committee for holding this important public hearing on the United States Department of Agriculture's (USDA) proposed rule changes to the federal Supplemental Nutrition Assistance Program (SNAP) and the Official Poverty Measure (OPM).

The Albany County Department of Social Services (DSS) acts on behalf of New York State to determine eligibility, authorize benefits and recertify Albany County SNAP recipients. In addition, Albany County DSS offers support for multiple categories of assistance including cash assistance programs, homeless services, subsidized child care, employment readiness, Medicaid eligibility determination, Adult Protective Services, assessment for home care and home delivered meals and operation of the New York Connects Information and Assistance line. We also manage Child Support for all county residents. Currently Albany DSS serves over 60,000 individuals within our programs, which is roughly 20% of the total county population.

The USDA plans to change eligibility for SNAP benefits, which would take Supplemental Food Assistance away from:

- Low-income working families;
- Families and low income Older Americans and people with disabilities who have modest savings.

In Albany County, 17,600 households containing 32,000 people (10% of county population) receive SNAP benefits; 36 percent of our recipients are under the age of 19; and 12 percent are over age 65. SNAP serves vulnerable populations. Many of the school age children impacted by this rule change may also lose free access to the school meal programs. The cuts create increased food insecurity which leads to family and individual stress, forces families to make difficult choices regarding which needs to meet and adversely impacts health, developmental and academic outcomes. Food insecurity negatively affects health at all ages; however children and the elderly are particularly vulnerable to food deficits, resulting in child development problems and illness and premature mortality in the elderly and disabled.

SNAP is the first line of defense against malnutrition for many people and provides a life line for vulnerable populations. SNAP means basic food needs can be met; food on the table is one less challenge. Loss of SNAP may mean families, elderly and disabled will need to decide whether to delay paying rent, utilities or other bills or buy food. If they choose to buy food they may be put in the position of facing utility shut off or eviction; they may not be able to repair their car, and therefore can't get to work resulting in job loss or they may have to drop out of school. This reduction in SNAP benefits could result in an increase in people coming into our offices in need of emergency rent assistance or utility payments because they must choose to buy food for their children instead of paying their utility bill. Taking away SNAP benefits will exacerbate the Cliff Effect, making it more difficult to continue working and increase the likelihood of returning to Temporary Assistance. The proposed rules will increase administrative complexity and costs, while serving possibly 10 percent fewer recipients.

The threshold of gross income of 130% of poverty level for eligibility does not consider how difficult it is to live on this income. It is essential that expenses such as shelter and child care – often the largest household expenses – be exempt from the income count. People who have this

level of income are under constant stress to make ends meet and are one unexpected expense away from potential crisis. These are families living on the edge.

The proposal to reinstitute asset limit testing is also short sighted. It makes no sense in the goal of increasing family stability and self-sufficiency; it de-incentivizes the accumulation of assets. Most people on SNAP have very few resources. It is a cruel myth that SNAP recipients have significant liquid or other hard resources. Actually, many people who are eligible for SNAP don't apply. Limiting assets to \$2250 does not allow families to improve their life situation. It does not permit working families to save for a Security Deposit or first/last month's rent, children's school clothes, a vehicle repair, or other emergencies which arise for all of us. The asset allocation of \$3250 for elderly/disabled does not provide much more of a cushion, especially because these populations may have increased transportation and co-pay costs related to health issues.

We are unclear how assets will be defined: will it include liquid assets only or will hard assets such as a vehicle count? A vehicle is essential for self-sufficiency in most areas of Upstate New York. A car allows someone to get a job or get a better paying job or get to school; a vehicle also provides a lifeline for elderly and enables them to remain independent. If assets such as vehicles are to be counted it presents an administrative nightmare for local districts. It would require significant additional staff time determining the value of a vehicle or other hard resource. Additional costs related to staff time will also arise due to the churn of clients who may have assets of \$2251 in the middle of the month but become eligible again a few weeks later after they pay some expenses. We expect that the number of applications and volume of paperwork generated by this change will add significant staff time to our workload.

These cuts would have a ripple effect. Albany SNAP households receive \$52 million in benefits per year in Albany County. That is more than \$1 million going into our economy per week. Reduction in these benefits would hit local grocery stores and farmers. For every \$1 in SNAP benefits spent in a community, it is projected that \$1.70 in economic activity is generated. Families and individuals impacted by these rules changes would be forced to utilize the already stretched voluntary food pantries.

*Elimination of categorical eligibility.* It is already difficult for families to move off of Temporary Assistance (TA). Continuing eligibility for SNAP benefits once a person is working helps keep them in the workforce. If items such as child care are no longer able to be counted against one's income, it will not make fiscal sense for people to continue to work. Our estimate is that people will return to TA. Categorical eligibility is important because it supports work for households with high shelter/child care costs and reduces the benefit cliff. SNAP eligibility extends free school meals to children in these households and simplifies costly SNAP administration.

Examples:

- A senior with \$1000 in Social Security Income monthly who has \$4000 in savings (maybe to use for her funeral) will no longer be eligible.
- 130% of FPL for a family of three is \$2311 per month. If a family's income goes slightly above this, they will no longer be eligible under these new rules.

Similarly, the administration's proposal to update the *Census Bureau's Poverty Thresholds* using an alternative, lower measure of inflation than the traditional Consumer Price Index (CPI) would lower the poverty line by growing amounts more slowly than the current approach. This reduction could have a devastating effect on working families. A small increase in income could make individuals living on the edge of destitution ineligible for Medicaid and other benefit programs which help sustain their health and stability.

In summary, these changes will harm the most vulnerable, reduce the economic benefit which SNAP provides to communities and cause children, the elderly and disabled to go hungry. They will result in increased administrative burden for localities, increase the number of applications and associated costs related to emergency requests for events such as eviction prevention or utility cut-off. We would also expect it will put a strain on limited food pantry resources. These changes are unnecessarily punitive and will result in increased administrative costs as well as costs in other parts of the system.