AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

HEARINGS

BEFORE THE

SUBCOMMITTEE ON NUTRITION

AND THE

COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

FEBRUARY 25, 26;
APRIL 15, 2015;
MAY 20, 2015; AND
JUNE 10, 2015

Serial No. 114–3

Part 1

Printed for the use of the Committee on Agriculture
agriculture.house.gov

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

PART 1

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

HEARINGS

BEFORE THE

SUBCOMMITTEE ON NUTRITION

AND THE

COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

FEBRUARY 25, 26;
APRIL 15, 2015;
MAY 20, 2015; AND
JUNE 10, 2015

Serial No. 114–3

Part 1

Printed for the use of the Committee on Agriculture
agriculture.house.gov

U.S. GOVERNMENT PUBLISHING OFFICE

93–961 PDF WASHINGTON : 2015

For sale by the Superintendent of Documents, U.S. Government Publishing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
Fax: (202) 512–2104 Mail: Stop IDCC, Washington, DC 20402–0001

COMMITTEE ON AGRICULTURE

K. MICHAEL CONAWAY, Texas, *Chairman*

RANDY NEUGEBAUER, Texas, *Vice Chairman*
BOB GOODLATTE, Virginia
FRANK D. LUCAS, Oklahoma
STEVE KING, Iowa
MIKE ROGERS, Alabama
GLENN THOMPSON, Pennsylvania
BOB GIBBS, Ohio
AUSTIN SCOTT, Georgia
ERIC A. "RICK" CRAWFORD, Arkansas
SCOTT DESJARLAIS, Tennessee
CHRISTOPHER P. GIBSON, New York
VICKY HARTZLER, Missouri
DAN BENISHEK, Michigan
JEFF DENHAM, California
DOUG LAMALFA, California
RODNEY DAVIS, Illinois
TED S. YOHO, Florida
JACKIE WALORSKI, Indiana
RICK W. ALLEN, Georgia
MIKE BOST, Illinois
DAVID ROUZER, North Carolina
RALPH LEE ABRAHAM, Louisiana
TOM EMMER, Minnesota†
JOHN R. MOOLENAAR, Michigan
DAN NEWHOUSE, Washington
TRENT KELLY, Mississippi‡

COLLIN C. PETERSON, Minnesota, *Ranking Minority Member*
DAVID SCOTT, Georgia
JIM COSTA, California
TIMOTHY J. WALZ, Minnesota
MARCIA L. FUDGE, Ohio
JAMES P. MCGOVERN, Massachusetts
SUZAN K. DELBENE, Washington
FILEMON VELA, Texas
MICHELLE LUJAN GRISHAM, New Mexico
ANN M. KUSTER, New Hampshire
RICHARD M. NOLAN, Minnesota
CHERI BUSTOS, Illinois
SEAN PATRICK MALONEY, New York
ANN KIRKPATRICK, Arizona
PETE AGUILAR, California
STACEY E. PLASKETT, Virgin Islands
ALMA S. ADAMS, North Carolina
GWEN GRAHAM, Florida
BRAD ASHFORD, Nebraska

SCOTT C. GRAVES, *Staff Director*
ROBERT L. LAREW, *Minority Staff Director*

SUBCOMMITTEE ON NUTRITION

JACKIE WALORSKI, Indiana, *Chairwoman*

RANDY NEUGEBAUER, Texas
GLENN THOMPSON, Pennsylvania
BOB GIBBS, Ohio
ERIC A. "RICK" CRAWFORD, Arkansas
VICKY HARTZLER, Missouri
DAN BENISHEK, Michigan
RODNEY DAVIS, Illinois
TED S. YOHO, Florida
DAVID ROUZER, North Carolina
RALPH LEE ABRAHAM, Louisiana
JOHN R. MOOLENAAR, Michigan

JAMES P. MCGOVERN, Massachusetts, *Ranking Minority Member*
MARCIA L. FUDGE, Ohio
ALMA S. ADAMS, North Carolina
MICHELLE LUJAN GRISHAM, New Mexico
PETE AGUILAR, California
STACEY E. PLASKETT, Virgin Islands
BRAD ASHFORD, Nebraska
SUZAN K. DELBENE, Washington

---

†**Editor's note:** Hon. Tom Emmer, a Representative in Congress from Minnesota resigned from the House Committee on Agriculture on May 19, 2015.

‡**Editor's note:** Hon. Trent Kelly, a Representative in Congress from Mississippi was appointed to the House Committee on Agriculture on June 10, 2015.

CONTENTS

Page

Full Committee—Wednesday, February 25, 2015

Conaway, Hon. K. Michael, a Representative in Congress from Texas, opening statement 1
Prepared statement 2
Peterson, Hon. Collin C., a Representative in Congress from Minnesota, opening statement 3

WITNESSES

Besharov, Douglas J., Norman & Florence Brody Professor, University of Maryland School of Public Policy; Senior Fellow, The Atlantic Council, College Park, MD 4
Prepared statement 6
Greenstein, Robert, Founder and President, Center on Budget and Policy Priorities, Washington, D.C. 22
Prepared statement 24

Subcommittee on Nutrition—Thursday, February 26, 2015

Conaway, Hon. K. Michael, a Representative in Congress from Texas, opening statement 86
McGovern, Hon. James P., a Representative in Congress from Massachusetts, opening statement 86
Supplementary material 149
Walorski, Hon. Jackie, a Representative in Congress from Indiana, opening statement 83
Prepared statement 85
Submitted reports 141
Submitted letter 146

WITNESSES

Cunnyngham, Karen, Senior Researcher, Mathematica Policy Research, Washington, D.C. 87
Prepared statement 89
Supplementary material 149
Mills, Ph.D., Gregory B., Senior Fellow, Urban Institute, Washington, D.C. 95
Prepared statement 97
Ziliak, Ph.D., James P., Founding Director, Center for Poverty Research; Professor and Carol Martin Gatton Endowed Chair in Microeconomics, Department of Economics, University of Kentucky, Lexington, KY 103
Prepared statement 104
Tordella, Stephen J., President, Decision Demographics, Arlington, VA 114
Prepared statement 115

Full Committee—Wednesday, April 15, 2015

Adams, Hon. Alma S., a Representative in Congress from North Carolina, prepared statement 159
Submitted statement on behalf of Clyde W. Fitzgerald, Jr., Executive Director, Second Harvest Food Bank of Northwest North Carolina 222
Bustos, Hon. Cheri, a Representative in Congress from Illinois, prepared statement 159

Page

Conaway, Hon. K. Michael, a Representative in Congress from Texas, opening statement 155
Prepared statement 156
Goodlatte, Hon. Bob, a Representative in Congress from Virginia, prepared statement 158
Peterson, Hon. Collin C., a Representative in Congress from Minnesota, opening statement 157

WITNESSES

Maehr, Kate, Executive Director and Chief Executive Officer, Greater Chicago Food Depository, Chicago, IL 160
Prepared statement 161
Supplementary material 219
Submitted questions 224
Green-Patton, Keleigh, Chicago's Community Kitchens, Chicago, IL 163
Prepared statement 165
Kunz, Dustin, Research Manager; Salesforce Administrator and Developer, Texas Hunger Initiative, Baylor University, Waco, TX 166
Prepared statement 168
Supplementary material 220
Submitted questions 227
Ender, Lynda Taylor, AGE (Advocacy Group for Elders) Director, The Senior Source, Dallas, TX 171
Prepared statement 172
Webb, Jonathan, Director, Foundations and Community Engagement, Feed the Children, Edmond, OK 179
Prepared statement 180

SUBMITTED MATERIAL

MAZON: A Jewish Response to Hunger 223

Subcommittee on Nutrition—Wednesday, May 20, 2015

McGovern, Hon. James P., a Representative in Congress from Massachusetts, opening statement 233
Walorski, Hon. Jackie, a Representative in Congress from Indiana, opening statement 231
Prepared statement 232

WITNESSES

Brown, Kay E., Director, Education, Workforce, and Income Security, U.S. Government Accountability Office, Washington, D.C. 234
Prepared statement 236
Supplementary material 281
Rachidi, Ph.D., Angela K., Research Fellow in Poverty Studies, American Enterprise Institute, Washington, D.C. 246
Prepared statement 248
Supplementary material 281
Submitted question 296
Nader, Joseph, Executive Chef, Levy Restaurants and Detroit Lions; Volunteer Chef, Share Our Strength's Cooking Matters, Detroit, MI 251
Prepared statement 253
Supplementary material 281
Tussler, Sherrie, Executive Director, Hunger Task Force, Milwaukee, WI 254
Prepared statement 256
Supplementary material 283

SUBMITTED MATERIAL

Packett, Barb, Chair, Education/Public Policy Committee, National CSFP Association, submitted letter 284

Page

Full Committee—Wednesday, June 10, 2015

Adams, Hon. Alma S., a Representative in Congress from North Carolina, submitted letter; on behalf of Clyde W. Fitzgerald, Jr., Executive Director, Second Harvest Food Bank of Northwest NC 355
Conaway, Hon. K. Michael, a Representative in Congress from Texas, opening statement 299
Prepared statement 300
McGovern, Hon. James P., a Representative in Congress from Massachusetts, opening statement 301
Peterson, Hon. Collin C., a Representative in Congress from Minnesota, opening statement 301

WITNESSES

Raglow, Patrick J., Executive Director, Catholic Charities of the Archdiocese of Oklahoma City, Oklahoma City, OK 302
Prepared statement 304
Submitted question 356
Samuels, Jr., Leon A., Executive Director, STRIVE DC, Washington, D.C. 308
Prepared statement 309
Babcock, MCRP, Ph.D., Elisabeth D., President and Chief Executive Officer, Crittenton Women's Union, Boston, MA 311
Prepared statement 313
Collins II, Grant E., Senior Vice President, Workforce Development and Executive Director, Fedcap Rehabilitation Services, Inc., New York, NY 320
Prepared statement 322

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

(THE PAST, PRESENT, AND FUTURE OF THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM)

WEDNESDAY, FEBRUARY 25, 2015

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The Committee met, pursuant to call, at 9:59 a.m., in Room 1300 of the Longworth House Office Building, Hon. K. Michael Conaway [Chairman of the Committee] presiding.

Members present: Representatives Conaway, Rogers, Thompson, Gibbs, Crawford, Gibson, Benishek, LaMalfa, Davis, Yoho, Walorski, Allen, Rouzer, Abraham, Newhouse, Peterson, David Scott of Georgia, Walz, Fudge, McGovern, DelBene, Vela, Lujan Grisham, Kuster, Bustos, Maloney, Kirkpatrick, Aguilar, Plaskett, Adams, Graham, and Ashford.

Staff present: Anne DeCesaro, Carly Reedholm, Haley Graves, Jackie Barber, Leah Christensen, Mary Nowak, Matt Schertz, Paul Balzano, Scott Graves, Ted Monoson, Faisal Siddiqui, John Konya, Andy Baker, Anne Simmons, Lisa Shelton, Liz Friedlander, and Nicole Scott

OPENING STATEMENT OF HON. K. MICHAEL CONAWAY, A REPRESENTATIVE IN CONGRESS FROM TEXAS

The CHAIRMAN. This hearing of the Committee on Agriculture to review the past, present, and future of the Supplemental Nutrition Assistance Program, will come to order. Please join me in a brief prayer. Heavenly Father, we ask you to be with us this morning, to grant us wisdom, discernment and knowledge. Help us have an openness to all points of view as we consider this very important program, its impact on the lives of Americans. Dear Lord, please be with those men and women who protect our rights and freedoms around this world, and their families. We ask these things in Jesus' name. Amen.

The hearing comes to order, and I want to welcome everybody. I would like to welcome our witnesses to today's hearing, and thank them for taking the time to share their thoughts and answer our questions about the Supplemental Nutrition Assistance Program. It is the largest program under the Committee's jurisdiction, and today's hearing marks the beginning of a top-to-bottom review of the program. We will conduct this review without preconceived notions and with a commitment to strengthening the program so

it can serve as a tool to help individuals move up the economic ladder.

SNAP has grown from a pilot program that served just 500,000 people in 1964, to a program that at its peak during the recession served more than 47 million Americans. Being post-recession and post-farm bill reauthorization, we are in a unique position of being able to conduct a proactive review of the SNAP program, ensuring the program is prepared to address current and future challenges. There are also a number of bipartisan reforms enacted in the Agricultural Act of 2014, including new work pilots, which have not been fully implemented. Evaluating those important reforms will be a part of our review.

Another key aspect to be included in this review is the private social services sector. From churches to not-for-profits and local food banks, they serve as important partners in the delivery of critical food assistance in communities across this country.

While the economy has changed and other welfare programs have adjusted to meet changing needs, it does not appear that SNAP has. We have seen the overall unemployment rate fall, yet the number of long-term unemployed remains high. The lengthy recovery following the 2009 recession has brought in a new group of healthy, working-age recipients, who in the past had not used SNAP. This is a new dynamic not previously experienced following other recessions when periods of unemployment spells were much shorter.

Some programs have responded to the changing needs of its target population. We have watched as TANF, Temporary Assistance for Needy Families, program has moved increasingly toward more services, such as transportation and child care, as compared to cash assistance, in order to better support the needs of working parents.

We can all agree that no one ought to go hungry in America, and SNAP is essential in protecting the most vulnerable citizens during tough times. For many it is a vital lifeline to keeping food on the table. What we don't want is for this program to hold people back from achieving their potential. I believe there is a role for SNAP, but we need to have a complete, clear understanding of its mission and purpose.

I look forward to hearing from our witnesses today as we explore where this program has been, were it is now, and what it could be for participants and taxpayers in the future.

[The prepared statement of Mr. Conaway follows:]

PREPARED STATEMENT OF HON. K. MICHAEL CONAWAY, A REPRESENTATIVE IN CONGRESS FROM TEXAS

I want to welcome our witnesses to today's hearing and thank them for taking the time to share their thoughts and answer our questions about the Supplemental Nutrition Assistance Program. It is the largest program under the Committee's jurisdiction, and today's hearing marks the beginning of a top-to-bottom review of the program. We will conduct this review without preconceived notions and with a commitment to strengthening the program so it can serve as a tool to help individuals move up the economic ladder.

SNAP has grown from a pilot program that served just 500,000 people in 1964 to a program that at its peak during the recession served more than 47 million Americans. Being post-recession and post-farm bill reauthorization, we are in the unique position of being able to conduct a proactive review of SNAP, ensuring the

program is prepared to address current and future challenges. There are also a number of bipartisan reforms enacted in the Agricultural Act of 2014, including new work pilots, which have not been fully implemented. Evaluating those important reforms will be a key part of our review.

Another key aspect to be included in this review is the private social services sector. From churches to nonprofits and local food banks, they serve as important partners in the delivery of critical food assistance in communities across the country.

While the economy has changed and other welfare programs have adjusted to meet changing needs, it does not appear that SNAP has. We have seen the overall unemployment rate fall, yet the number of long-term unemployed remains high. The lengthy "recovery" following the 2009 recession has brought in a new group of healthy, working age recipients, who in the past had not used SNAP. This is a new dynamic not previously experienced following other recessions when periods of unemployment were much shorter.

Some programs have responded to the changing needs of its target population. We've watched as the Temporary Assistance for Needy Families, or TANF, program has moved increasingly toward more services, such as transportation and child care, compared to cash assistance, in order to better support the needs of working parents.

We can all agree that no one ought to go hungry in America, and SNAP is essential in protecting the most vulnerable citizens during tough times. For many it is a vital lifeline to keeping food on the table. What we don't want is for this program to hold people back from achieving their potential. I believe there is a role for SNAP, but we need to have a complete and clear understanding of its mission and purpose.

I look forward to hearing from our witnesses today as we explore where this program has been, were it is now, and what it could be for recipients and taxpayers in the future.

The CHAIRMAN. I now yield to the Ranking Member for his statement.

OPENING STATEMENT OF HON. COLLIN C. PETERSON, A REPRESENTATIVE IN CONGRESS FROM MINNESOTA

Mr. PETERSON. Thank you, Mr. Chairman. And I am pleased to be here today with the Committee as we begin the review of the SNAP program. I think it is important that the Committee learn as much as we can about programs under our jurisdiction, and that is why I am supportive of the reviews the Chairman plans to undertake in this Congress.

I hope this will be an opportunity to get past the rhetoric on both sides and get a better understanding of how SNAP works, who the program serves, and what, if anything, can be done to make it better. And while I support this review, I hope the Committee will focus on some of the things that are problematic, and not some of the rhetoric that we have seen in the past. Some people in your leadership overplayed their hands, and you lost the opportunity to reform that we could have done back in 2013, and it still is a problem for me that we have a system where some states, where they're using this categorical eligibility, they are using the TANF guidelines to determine who gets benefits. The Federal rule is 130 percent, but if your TANF is above that, that is what you may use. So in my area, in Moorhead, Minnesota, Minnesota is at 165 percent of poverty. That is what you have to meet to qualify. But in North Dakota, across the river, they use 200 percent. So you have people in the same community basically being treated completely differently. In Texas, it is 165 percent. In Arizona, it is 185 percent. What sense does this make?

Now, this was put in place to make it easier for the people to administer the program, supposedly. And I guess that is fine, but I

just think one of the big problems of the system is that we treat people differently in different parts of the country, and I don't think it is right.

And the other thing everybody fixates on: work requirements. I was here when we did the work requirements and I supported it back in TANF, but when we have looked at this in SNAP, and when we have administered it, we have always put in waivers. And so you have all parts of the country where there are no work requirements because they have waivers. And to be honest, those areas are going to have waivers forever, no matter what we do. What sense does that make?

Now, in my area, we have a company—the biggest problem I have in my area is I hear from everybody we can't find enough people to fill the jobs that we have. Every place. We have two, three percent unemployment. We have a company that is paying $16.50 an hour to start. They pay your full healthcare: 100 percent. They are advertising on television every day and they still can't get enough workers to fill the jobs. They have 3,000 people working. And then we are going to jerry rig the whole system because of work requirements?

So I hope that whatever we end up doing with SNAP—first of all, I don't think we should do anything because we did the farm bill, and it is a 5 year bill and they had their chance and it didn't get done. But if we are going to look at anything, we have to look at how we treat people differently in different parts of the country. I just don't think it is right, and in the review, I hope we take a look at that.

So I look forward to hearing the testimony, and we will see how all this goes. I yield back.

The CHAIRMAN. I thank the gentleman. The gentleman yields back.

The chair requests that other Members submit their opening statements for the record so that the witnesses may begin their testimony to ensure there is ample time for questions.

I would like to welcome to our witness table today Mr. Doug Besharov, Professor at the School of Public Policy, University of Maryland, College Park, Maryland; and Mr. Robert Greenstein, Director, Center on Budget and Policy Priorities in Washington, D.C.

Mr. Besharov, the microphone is yours, and begin when you are ready.

STATEMENT OF DOUGLAS J. BESHAROV, NORMAN & FLORENCE BRODY PROFESSOR, UNIVERSITY OF MARYLAND SCHOOL OF PUBLIC POLICY; SENIOR FELLOW, THE ATLANTIC COUNCIL, COLLEGE PARK, MD

Mr. BESHAROV. Chairman Conaway, Ranking Member Peterson, and Members of the Committee, thank you for inviting me to testify about this very important topic.

I am a Professor, as Chairman Conaway mentioned, at the University of Maryland, where I teach courses on poverty alleviation and program evaluation, and I am also a Senior Fellow at the Atlantic Council, where I conduct research on international competitiveness and comparative domestic policy.

SNAP is a large and complicated program. Together with other safety net programs, civil rights advances and economic growth, SNAP has eradicated income-related severe hunger and malnutrition among the poor that motivated its original creation.

I was in Mississippi in 1967, and I saw starvation and malnutrition up close. As a civil rights worker in the Mississippi Delta, I literally carried young African-American children who were ill and malnourished into hospitals that otherwise would not treat them. We would walk in and we would say, if you don't accept this child, Marian Wright—her name was Marian Wright in those days, not Marian Wright Edelman, will be here tomorrow morning with a subpoena.

So I saw hunger and starvation up close. And the parties have switched. Those were the days when the Democratic Party held great sway in the South, and it was the southern leadership of the Congress that made it extremely difficult to get African-Americans on welfare, and there was starvation. The role of the food stamp program was a way around that exclusion, and the major expansions, for example, occurred under President Nixon as well as Democratic Presidents.

But that was then and this is now. SNAP's basic framework is anchored in the past. As my testimony describes, and as Bob Greenstein's describes, SNAP is now America's major social welfare program, it is an income supplementation program. His graphs and mine tell about the same story. It played an important role in the last recession. This is a worthy role. I will show you a few graphs in a minute, but what the story today is, the role of the program has to change. We are not in 1967 Mississippi, we are in a program with a $75 billion price tag that is income support, and should be treated as an income support program.

Based on my research, there is a great need to modernize the program and to coordinate it with TANF, with unemployment insurance, with SSI, with SSDI, and as well, the earned income tax credit. There are also small wrinkles that create, as Mr. Peterson said, oddities like eligibility at 200 percent of the poverty line in some states. We also have a major issue, in my opinion. The rule about household income essentially encourages cohabiters to not report that they are sharing a household, and it definitely discourages them from getting married. The moment they get married, if he has income or if she has sufficient income, the food stamp benefit goes to 0. So we have a possibility of a marriage disincentive, we have a possibility of a work disincentive.

My bottom line I will get to in a minute, but let me draw your attention to *Figure 1,* which is on page 3 of my testimony—I am embarrassed, I don't have overheads like Bob, but we have—I only have two graphs. *Figure 1,* Bob has these data as well, shows the growth and enrollment of TANF, or not growth in TANF, UI, disability and SNAP, and I would draw your attention to a few things there. First, TANF caseloads have hardly grown since 2005, even in the face of massive economic disruption, and you can see the disruption in the figures for UI and unemployment. Unemployment, of course, went way up in the Great Recession.

What filled in for the needs of people who were unemployed, and the answer is, as you can see from the graph, are SNAP, and to

a much lesser extent but also a real extent, disability. It was in the states' interest to put people on SNAP and disability, as opposed to TANF. With TANF, every additional person on TANF is a 100 percent state cost. I will say that again, a 100 percent state cost. And every additional person put on SNAP is 100 percent Federal cost. The temptation is too great. The need to fix these problems, in my opinion, is great.

Let me draw your attention to *Figure 2.* Again, Mr. Peterson talked about the apparent great need for entry-level employees. There is an argument in the field about how much programs like SNAP and UI, discourage people from looking for work, for being in work. We could spend weeks on this conversation. Let me say that in the U.S., this is a long-term trend. I picked out some numbers from my testimony. In 1970, 96 percent of low-education whites and blacks, 96 percent were working. In 2012 it was 79 percent. For those whites and blacks without a high school diploma, the figure went from 89 percent to 70 percent. This is important not just because we worry about the well-being of people who are not working, but as President Obama's chairman of economic advisors has said, to get this economy moving at full speed, we need a much higher percentage of the working-age population working. In this graph, you can see even as unemployment has gone down, even as GDP has gone up, both labor force participation, the top line, and the more telling employment-to-population ratio, have gone down, which is to say historically, we have a much smaller percentage of our population working. That is sort of like fighting the vestiges of the past recession with one hand behind our backs.

Everyone from the President to *The Washington Post* to *The New York Times* identifies low labor force participation as a serious problem. Janet Yellen calls it hidden or shadow unemployment.

I believe these issues are connected. It doesn't mean we should throw everyone off SNAP, but it does mean that SNAP and other income or means-tested programs have to adjust to this new reality.

Thank you very much, and I think, if I am looking at this time, I went over. My apologies.

[The prepared statement of Mr. Besharov follows:]

PREPARED STATEMENT OF DOUGLAS J. BESHAROV, NORMAN & FLORENCE BRODY PROFESSOR, UNIVERSITY OF MARYLAND SCHOOL OF PUBLIC POLICY; SENIOR FELLOW, THE ATLANTIC COUNCIL, COLLEGE PARK, MD

Chairman Conaway, Ranking Member Peterson, and Members of the Committee, thank you for inviting me to testify on this important topic.

My name is Douglas Besharov, and I am a Professor at the University of Maryland School of Public Policy, where I teach courses on poverty alleviation and program evaluation. I also direct our Welfare Reform Academy (WRA) and our Center for International Policy Exchanges (CIPE). I am also a Senior Fellow at the Atlantic Council, where I conduct research on international competitiveness and comparative domestic policy.

The Supplemental Nutrition Assistance Program (SNAP) is a large and complicated program. Together with other safety-net programs, civil rights advances, and economic growth, SNAP eradicated income-related, severe hunger and malnutrition among the poor that motivated the program's creation.

In the summer of 1967, I saw American starvation and malnutrition up close. As a civil rights worker in the Mississippi Delta, I (literally) carried ill and malnourished black children into hospitals. (The hospitals—without this then-law student from the North standing in the admitting room and threatening a lawsuit—ordi-

narily refused to treat poor African Americans.) The children were starving because their families had no money to buy food. Making things worse, many black families were denied welfare, simply because of their race. (I saw mothers with young children who applied for welfare being offered bus tickets to Chicago.)

SNAP's basic shape, however, is anchored in the past—even as the needs of recipients and the U.S. economy have changed. As a result, major issues before the Congress are the recent growth of the SNAP caseload and its behavioral and budgetary implications for the country.[1]

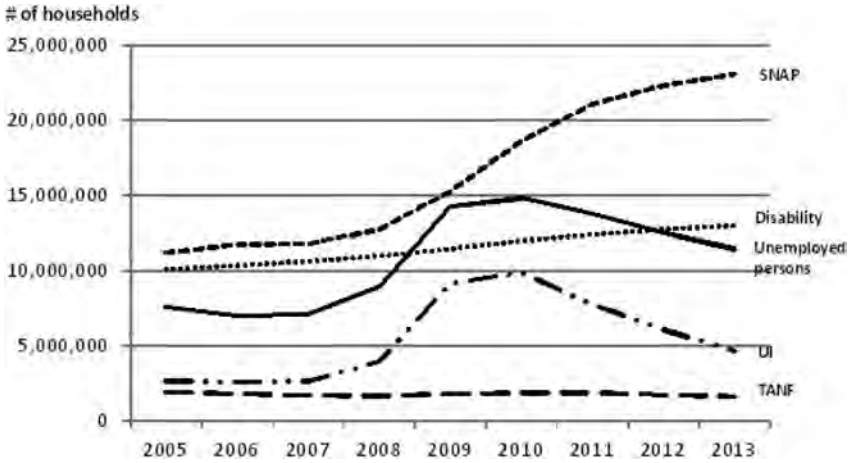
A main reason SNAP (formally the Food Stamp Program) enjoys wide political support is that the public continues to view it as an anti-hunger program when, for many recipients, it is really an income-supplementation program. This is also a worthy purpose, but because the program was not designed for that purpose, the result is a program that has many unintended and, many believe, negative effects.

Therefore, I applaud this Committee's multi-faceted re-examination of the program, its past, present, and future. Based on my research and analysis, I think the key challenge is to modernize a massive program that started as a small program of food assistance to become the primary U.S. program of income support. As I describe below, that would mean coordinating the SNAP program with Temporary Assistance for Needy Families (TANF), Unemployment Insurance, Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI), and the Earned Income Tax Credit (EITC) and other tax credits. In doing so, there should be an effort to rationalize the current patchwork of programs that make up the U.S. safety-net in a way that balances what looks to be long-term weak demand for labor economic with the need to minimize the work and marriage disincentives in current law. (See *Figure 1.*)

Figure 1

Unemployment and Enrollment in Select Cash and Noncash Government Programs

2005–2013



Note: All data are from most recent year available.

Program Origins

In 1939, the Congress authorized the United States Department of Agriculture (USDA) to implement a Food Stamp Program for individuals receiving direct relief payments. Individuals who bought orange "food stamps" at face value (accepted by store owners for any product) were given free blue stamps worth 50 percent of the value of the orange stamps. (This amounted to a ⅓ subsidy up to $0.75 worth of food. That would be $12.77 in 2014 dollars.) The blue stamps could only be used to "purchase" "surplus food," that is, food that the Federal Government had pur-

[1] See generally, Randy A. Aussenberg, *Reauthorization of SNAP and Other Nutrition Programs in the Next Farm Bill: Issues for the 113th Congress* (Washington, D.C.: Congressional Research Service, December 2013), *https://www.fas.org/sgp/crs/misc/R43332.pdf* (accessed February 23, 2015).

chased from farmers (to place a floor on its price). This food stamp program was ended in 1943, after general economic conditions had improved as a result of the World War II mobilization.[2]

Through the 1950s and early 1960s, the Federal Government continued to distribute surplus food, essentially by providing the food to local social welfare organizations such as food banks. Over time, support grew for a revived, food stamp-type program on the grounds that it would be more effective than direct distribution of surplus food. In 1961, President John Kennedy, who, as a senator, had introduced a bill to create a food stamp program, issued an executive order that created a pilot Food Stamp Program and also proposed legislation to create a permanent program. The Food Stamp Act passed in 1964, making the program permanent, but for the first few years, it remained relatively small. Localities were not required to implement the program, and some decided against doing so.[3]

In 1967, Senator Robert F. Kennedy famously visited rural Mississippi (with the national media accompanying him) to document that hunger was a serious problem for poor, even with the new food stamp program. In his words, they saw black children with "bellies . . . swollen with hunger."[4]

One of the reasons that the problem was greatest in the rural South is that many local welfare agencies systematically excluded African Americans families from AFDC and other cash benefits. In the ensuing years, various steps were taken to alleviate malnutrition, particularly by increasing access to food stamps. An important step was 1970 legislation (proposed by President Richard Nixon) that removed the provision that food stamp recipients pay a defined amount of their income in order to receive food stamps (the "purchase requirement") for families with incomes below $30 a month (about $185 a month in 2014 dollars), reduced the purchase requirement for families that did not qualify for free food stamps, and increased the value of monthly food stamps by about 40 percent.[5]

Rather than directly take on the Democrats in control of these southern states—as well as powerful Southern Democrats in Congress—expanded food assistance served as an end run around their opposition. Today's program is still shaped by this politically expedient shortcut.

The End of Malnutrition

As I mentioned, as late as the 1960s, symptoms of malnutrition (and especially child malnutrition)—including emaciation, kwashiorkor, marasmus, stunting, wasting, and even death—were a reality in America. However, the liberalization of AFDC and food stamps in the late 1960s and early 1979s, and their consequent large expansions (plus increased opportunities for African Americans), all but eradicated these conditions. Besides the $75+ billion SNAP program, for example, annual Federal expenditures for school breakfasts and lunches have grown to $16 billion and for WIC (the Special Supplemental Nutrition Program for Women, Infants, and Children) to $6 billion.

In 1997, Rebecca Blank, who recently served as Acting and Deputy Secretary of Commerce in the Obama Administration, reported, "Evidence of severe malnutrition-related health problems has almost disappeared in this country."[6] In fact, since the 1970s, the physical manifestations of real malnutrition have all but disappeared from the nation's health data. Between 1973 and 2011,[7] the percent of children who were underweight declined from 7.3 percent to 3.5 percent and the percent of chil-

---

[2] Dennis Roth, *Food Stamps, 1932–1977: From Provisional and Pilot Programs to Permanent Policy* (Washington, D.C.: U.S. Department of Agriculture, July 2013), *http://www.nal.usda.gov/ric/ricpubs/foodstamps.htm* (accessed February 16, 2015).

[3] Dennis Roth, Food Stamps, *1932–1977: From Provisional and Pilot Programs to Permanent Policy* (Washington, D.C.: U.S. Department of Agriculture, July 2013), *http://www.nal.usda.gov/ric/ricpubs/foodstamps.htm* (accessed February 16, 2015); and U.S. Department of Agriculture, "A Short History of SNAP," *http://www.fns.usda.gov/snap/short-history-snap* (accessed February 16, 2015).

[4] John F. Kennedy Presidential Library and Museum, "Robert F. Kennedy," *http://www.jfklibrary.org/JFK/The-Kennedy-Family/Robert-F-Kennedy.aspx* (accessed February 25, 2015).

[5] Dennis Roth, Food Stamps, *1932–1977: From Provisional and Pilot Programs to Permanent Policy* (Washington, D.C.: U.S. Department of Agriculture, July 2013), *http://www.nal.usda.gov/ric/ricpubs/foodstamps.htm* (accessed February 16, 2015); and U.S. Department of Agriculture, "A Short History of SNAP," *http://www.fns.usda.gov/snap/short-history-snap* (accessed February 16, 2015).

[6] Rebecca Blank, *It Takes a Nation* (New York: Russell Sage Foundation, 1997).

[7] The survey cited here, the Pediatric Nutrition Surveillance Survey, was discontinued after 2011.

dren who were short in stature declined from nine percent to 6.3 percent.[8] (Many of these children suffered from other illnesses or diseases that caused their being underweight.) Furthermore, over the past thirty-five years, there have been almost zero cases of children suffering from protein-energy malnutrition (PEM) and, where cases of PEM have been diagnosed in adults, the vast majority are the result of chronic diseases or drug addictions, and not insufficient food.[9]

In the face of this progress, advocates turned to estimates of "food insecurity" as a rallying point for continuing and expanding SNAP. (So does the Obama Administration.) Every year since 1995, the Federal Government has conducted a survey called "The Food Security Survey." In 2013, it found that 14.3 percent of American households were "food insecure," but many think that this is an artificial construct, as it is based on answers to eighteen different questions that express some uncertainty about having sufficient financial resources to obtain enough food to meet the needs of all household members *even once in the past year.* In the same survey, only 5.6 percent of all households actually reported that one or more households members were hungry—*even once in the past year*—because they could not afford food.[10] Only 0.9 percent of households with children reported that one or more children were hungry at least *once during the year.* A far cry from the 1960s, the formative years for most Federal feeding programs. (See *Table 1.*)

Table 1

Food Insecurity/Hunger

(even once in the past year)

Household Type and Poverty Status	Percent Food Insecure (FI)		
	All FI	FI with Hunger	FI with Hunger of Children
All households:			
With and without children	14.3%	5.6%	—
With children under age 18	19.5%	5.9%	0.9%
Poor households:			
With and without children	42.1%	18.5%	—
With children under age 18	45.6%	—	2.7%
Households <130% poverty:			
With and without children	38.9%	16.7%	—
With children under age 18	44.2%	—	2.4%
Households ≥185% poverty:			
With and without children	6.7%	2.3%	—
With children under age 18	7.7%	—	—

Source: Alisha Coleman-Jensen, Christian Gregory, and Anita Singh, *Household Food Security in the United States in 2013* (Alexandria, VA: U.S. Department of Agriculture, September 2014), *http://www.ers.usda.gov/media/1565415/err173.pdf* (accessed February 23, 2015).

However one feels about this controversial and, much criticized concept, it is a very different problem than malnutrition and should not be the basis for making policy for a $75+ billion program.

Obesity

Today, instead of hunger, the central nutritional problem facing the poor, indeed all Americans, is not too little food but, rather too much—or at least too many calories. Although there are still some pockets of real hunger in America, they are predominantly among populations with behavioral or emotional problems. In 1998, for example, then-Agriculture Secretary Dan Glickman, when discussing the problem of childhood obesity, said that "The simple fact is that more people die in the United

[8] Centers for Disease Control, "2011 Pediatric Nutrition Surveillance: National Summary of Trends in Growth and Anemia Indicators Children Aged Less Than 5 years," *http://www.cdc.gov/pednss/pednss_tables/html/pednss_national_table12.htm* (accessed July 29, 2013).

[9] Author's calculations from U.S. Department of Health and Human Services, Centers for Disease Control, "National Hospital Discharge Survey," *http://www.cdc.gov/nchs/nhds/nhds_questionnaires.htm* (accessed July 29, 2013).

[10] Alisha Coleman-Jensen, Christian Gregory, and Anita Singh, *Household Food Security in the United States in 2013* (Alexandria, VA: U.S. Department of Agriculture, September 2014), *http://www.ers.usda.gov/media/1565415/err173.pdf* (accessed February 23, 2015).

States of too much food than of too little, and the habits that lead to this epidemic become ingrained at an early age."[11]

Today, as many as 70 percent of low-income adults are overweight, about ten percent more than the non-poor. Adolescents from low-income families are twice as likely to be overweight (16 percent *vs.* 8 percent). Racial disparities are even greater. Almost 82 percent of African-American women, for example, are overweight—almost 30 percent more than white women. Even more serious, about 57 percent of African-American women are obese—⅔ more than white women.[12] (See *Table 2.*)

Table 2
Overweight/Obesity

Age, Sex, and Race/Ethnicity	Percent Overweight/ Obese	
	1961–62 1963–65*	2011–2012
Men	50/11	72/34
Women	40/16	67/37
Children	4/—	15/—
Men:		
White	50/11	73/33
Black	44/14	69/37
Hispanic	—	78/41
Women:		
White	38/14	65/34
Black	59/27	82/57
Hispanic	—	76/43
Children ages 6–11:		
Boys:		
White	4/—	27/9
Black	2/—	39/26
Hispanic	—	49/29
Girls:		
White	5/—	33/18
Black	5/—	37/22
Hispanic	—	44/23

*** 1961–62: for adults; and 1963–65: for children.**

Source: Cynthia L. Ogden, Margaret D. Carroll, Brian K. Kit, and Katherine M. Flegal, "Prevalence of Childhood and Adult Obesity in the United States, 2011–2012," *Journal of the American Medical Association* 311, no. 8 (February 26, 2014): 806–814.

Overweight and obesity refer to excess amounts of body fat. The commonly used standards to determine whether a person is overweight or obese are based on medical data indicating weight levels (for a given height) that are associated with increased mortality and various health risks.[13] For example, a man 5′10″ would be considered overweight at 175 pounds and obese at 210 pounds. A woman 5′4″ would be considered overweight at 145 pounds and obese at 175 pounds.

Being overweight is not simply a matter of aesthetics. The growing girth of Americans is a major health concern. The Harvard School of Public Health has summarized a number of studies of the effects of obesity. Among the findings are that

[11] Douglas J. Besharov, *We're Feeding the Poor as If They're Starving* (Washington, D.C.: American Enterprise Institute, December 2002), *http://www.aei.org/publication/were-feeding-the-poor-as-if-theyre-starving/* (accessed February 23, 2015).

[12] Cynthia L. Ogden, Margaret D. Carroll, Brian K. Kit, and Katherine M. Flegal, "Prevalence of Childhood and Adult Obesity in the United States, 2011–2012," *Journal of the American Medical Association* 311, no. 8 (February 26, 2014): 806–814.

[13] The standard measure used to measure overweight and obesity is the body mass index (BMI). The BMI is calculated as weight in kilograms divided by the square of height in meters (or weight in pounds divided by the square of height in inches multiplied by 703). A BMI of 25.0 or more is used to define overweight. In children, overweight is defined as sex- and age-specific BMI above the 95th percentile, based on growth charts from the Centers for Disease Control (CDC). Obesity is defined as a BMI of 30.0 or more. Other methods used to measure overweight and obesity in epidemiologic studies include waist circumference, skin-fold thickness, and waist-to-hip ratio.

women with a BMI of 35 or higher have a risk of developing type 2 diabetes that is 93 times higher than women with BMI lower than 22, individuals who are overweight have a 32 percent higher risk of coronary artery disease compared to individuals with normal weight; and those who are obese have an 81 percent higher risk; and that being overweight and obese increases the risk of stroke by 22 percent and 64 percent, respectively.[14] Obesity, of course, is more serious, causing an estimated 50 to 100 percent increase in premature deaths (estimated to be 300,000 deaths per year).[15]

Despite this massive increase in overweight and obesity among the poor, Federal feeding programs still operate under their nearly half-century-old objective of increasing food consumption. Few experts are willing to say that Federal feeding programs are making the poor fat, although the evidence points in that direction. But no expert thinks they do very much to fight this growing public health problem.

SNAP benefits work as intended, raising caloric consumption by as much as ten percent more than if recipients were given cash. It's like when you buy tickets for a set number of rides before entering an amusement park. The tendency is to buy more than one needs and, rather than return the unused ones for a refund, it is easier to take that one or two more rides before leaving. That's of course why the parks sell them that way. The only difference is that unused food stamps can't be turned in for cash. (The fact that people do not want to use all their food stamps for food helps explain why a black market has developed with them.)

A 2008 research synthesis by USDA economists found that some evidence that long-term receipt of SNAP benefits increased obesity in non-elderly adult women by between four and ten percentage points, but they did not find any effects on obesity for other subgroups.[16] However, these were econometric studies that, by their nature, have difficulty in controlling for selection effects or other factors that might affect obesity rates. On the other hand, we do know from more rigorous methods that SNAP benefits can leads to increased consumption.

In the early 1990s, the USDA commissioned two random assignment studies of the Food Stamp Program where some recipients were provided cash instead of Food Stamps. Peter Rossi summarized the findings of these studies: "The reductions in food expenditures were $0.18–$0.28 for each dollar provided in the form of cash, compared with conventional food stamps. . . . These studies show that providing income in the form of food stamps leads to more food consumption than an equivalent dollar amount given in unearmarked form."[17] This "cashing out" of food stamps did not result in unhealthy diets nor the mismanagement of family finances. Recipients, continued to get well above the recommended dietary allowances for most nutrients.[18]

It is unclear, however, what effect, if any, the 2002 adoption of the Electronic Benefit Transfer system has had on this behavior.[19]

The failure to be clear about SNAP as a form of income support has removed the possibility of using this important tool to address America's dietary and obesity problems.

SNAP as the Primary U.S. Social Assistance Program

How should we think about the current SNAP program's role in maintaining this progress? It is most accurate to think of SNAP as a form of income assistance that allows recipients to purchase food. Thus, in its *Budget and Economic Outlook* reports, the Congressional Budget Office treats SNAP as an "income support" program

---

[14] Harvard School of Public Health, "Weight Problems Take a Hefty Toll on Body and Mind," *http://www.hsph.harvard.edu/obesity-prevention-source/obesity-consequences/health-effects/#references* (accessed February 23, 2015).

[15] David B. Allison, Kevin R. Fontaine, JoAnn E. Manson, June Stevens, and Theodore B. VanItallie, "Annual Deaths Attributable to Obesity in the United States," *Journal of the American Medical Association,* vol. 282, no. 16, October 27, 1999, pp.1530–1538.

[16] Michele Ver Ploeg and Katherine Ralson, *Food Stamps and Obesity: What Do We Know?* (Alexandria, VA: Economic Research Service, U.S. Department of Agriculture, March 2008), *http://www.ers.usda.gov/media/210655/eib34_reportsummary_1_.pdf* (accessed February 17, 2015).

[17] Peter H. Rossi, *Feeding the Poor: Assessing Federal Food Aid* (Washington, D.C.: American Enterprise Institute, 1998): 36–37.

[18] *See* Steven Carlson, "An Overview of Food Stamp Cashout Research in the Food and Nutrition Service," in Nancy Fasciano, Daryl Hall, and Harold Beebout (eds.), *New Directions in Food Stamp Policy Research* (U.S. Department of Agriculture, June 25, 1993), 23–24.

[19] Since the implementation of Electronic Benefit Transfer cards to all SNAP recipients in 2002, SNAP recipients have been allowed to rollover unspent benefits at the end of the month to the next month which may have a dampening effect on over-consumption in a given month. Such savings, however, cannot be used for purchases of other goods, so it is likely that recipients spend the excess in future months.

along with TANF, the Earned Income Tax Credit, the Additional Child Tax Credit, Supplemental Security Income (SSI), and unemployment compensation.[20] In fact, the Organisation of Economic Co-operation and Development (OECD) classifies SNAP as the *primary* U.S. "social assistance" program and as the equivalent of other countries' cash welfare programs. (It does not include TANF because of its narrow scope.)[21]

SNAP acts indirectly to improve the nutrition and health of low-income Americans by enabling them to purchase and consume more food. Moreover, eligibility for SNAP now reaches to those with incomes high enough to afford an adequate diet—but often not the other necessities of contemporary American life. This does not make the program less socially valuable. As I will describe below, especially since the passage of TANF, SNAP is the major safety-net program for those who have exhausted their UI benefits and have insufficient other income or assets.

Many program advocates, however, have chosen to leave this reality ambiguous—because they believe that it is only the prospect of hunger that is the reason for the program's strong support among the public. They could be correct, but the result is to stifle efforts to update the program to reflect developments in other means-tested government programs, as well as economic and social conditions generally.

SNAP benefits now far outstrip TANF benefits (in average size and number of recipients), making SNAP (and its predecessor Food Stamp Program) the primary element of the U.S. income support system.[22] This developed by historical happenstance—and the fact that 100 percent of SNAP benefits are paid for by the Federal Government (while they were shared under AFDC and are, essentially, a 100 percent state cost under TANF).

First, what started as a small Federal nutrition program was expanded in the 1960s and 1970s because of apparent hunger in states that had inadequate welfare systems. (That is, they had low benefits and often discriminated against African Americans and other minorities.) The Federal food stamp program essentially worked around this problem by ignoring state welfare agencies—a disconnect that continues fifty years later even as the initial reason disappeared.

Second, because SNAP would fill in between 30 and 45 percent of the difference, in the 1970s through 1990s, many states kept AFDC payments lower than they might otherwise have set them. For example, in 1991, California cut its cash assistance (AFDC) to reduce state spending on the poor by $10.8 billion between 1991 and 1996. However, the state's budget analysts calculated that this reduction would trigger a $4 billion rise in food stamp payments, so the net loss to the poor dropped to $6.8 billion.[23]

Third, again because the Federal Government paid program costs, there was a tendency to encourage low-income families to leave their time-limited TANF programs while continuing on the Federal SNAP program (and, when applicable, being transferred to Federal disability programs). Pamela Loprest and Sheila Zedlewski of the Urban Institute used the National Survey of American Families to examine former recipients of cash welfare benefits who left the program but not for employment. They found that between 1997 and 2002, the percentage of these "welfare leavers" receiving food stamps increased from about 46 percent to about 55 percent.[24]

Fourth, in the wake of the Great Recession, long-term unemployment was at an all-time high. (Even now, 31.5 percent of the unemployed have been jobless for 6 months or more.)[25] After their Unemployment Insurance benefits expire, many unemployed turn to SNAP, especially given recent liberalizations. In 2012, Theresa

---

[20] Congressional Budget Office, *The Budget and Economic Outlook: 2015–2025* (Washington, D.C.: Congressional Budget Office, January 2015), *https://www.cbo.gov/sites/default/files/cbofiles/attachments/49892-Outlook2015.pdf* (accessed February 18, 2015).

[21] Herwig Immervoll, *Minimum Income Benefits in OECD Countries: Policy Design, Effectiveness, and Challenges* (Bonn: IZA, December 2009), *http://ftp.iza.org/dp4627.pdf* (accessed February 17, 2015).

[22] See generally Center on Budget and Policy Priorities, *Food and Nutrition Programs: Reducing Hunger, Bolstering Nutrition* (Washington, D.C.: Center on Budget and Policy Priorities, August 2005), *http://www.cbpp.org/cms/?fa=view&id=510* (accessed February 16, 2015).

[23] Douglas J. Besharov and Karen Baehler, "The Perverse Federal Incentives for Welfare Cuts," *Governing* (February 1993), *http://www.welfareacademy.org/pubs/welfare/welfare-0293.shtml* (accessed February 23, 2015).

[24] Pamela Loprest and Sheila Zedlewski, *The Changing Role of Welfare in the Lives of Low-Income Families with Children* (Washington, D.C.: Urban Institute, August 2006), *http://www.urban.org/uploadedpdf/311357_occa73.pdf* (accessed February 18, 2015).

[25] Bureau of Labor Statistics, "Table A–12. Unemployed Persons by Duration of Unemployment, Seasonally Adjusted," *http://www.bls.gov/web/empsit/cpseea12.htm* (accessed February 23, 2015).

Anderson, John A. Kirlin, and Michael Wiseman examined longitudinal UI and SNAP data in seven states and found evidence of this phenomenon.[26]

Explaining Recent Increases in SNAP Caseloads

The recent sharp growth of the SNAP caseload began long before the Great Recession. It began under Republican President George W. Bush at a time when employment was in reasonably strong shape, although employment had not recovered from its pre-recession levels. Between 2000 and 2013, SNAP spending grew from about $20.6 billion to about $79.9 billion (in 2014 dollars) and the SNAP caseload increased from 17.2 million individuals to about 47.6 million individuals.[27] (In 2014, as the economy improved, those numbers dropped to $74.1 billion and 46.5 million individuals.) In comparison, during this same period, the number of individuals in poverty increased from 31.5 million to 45.3 million. Since the start of the Great Recession in 2008, the number of SNAP recipients has increased by 68.7 percent between 2008 and 2013, even as the number of individuals in poverty increased by only 16.5 percent.[28]

Why have the caseloads and expenditures increased so much? Although a struggling economy and an increase in poverty certainly contribute to the increase in the enrollment of SNAP, statutory changes and local discretion that result in expanded eligibility and loosened criteria for determining eligibility have also been contributors. Here are some of the key changes in SNAP:[29]

- ***Nullified assets tests.*** To meet SNAP asset requirements, a household must have less than $2,000 in assets ($3,000 for households with a disabled individual) and no more than one vehicle that must be worth less than $4,650. (Houses, retirement accounts, and personal property are not counted as assets.) There are two exceptions to these rules. *For vehicles,* the Agricultural Appropriations Act of 2000 allows states to use the vehicle asset test of their TANF programs instead of the SNAP vehicle asset test.[30] As of November 2012, thirty-four states and D.C. exclude the value of all vehicles and another fifteen states exclude the value of one vehicle.[31] *For the more general asset test,* under the categorical eligibility provisions issued by USDA regulations in 2000 (described below), states may use the asset tests in their TANF programs in place of the SNAP asset test. Thirty-six states exercise this option and do not have an asset test for SNAP recipients.[32]
- ***Categorical eligibility to incomes of 200 percent of poverty.*** Categorical eligibility for SNAP was first introduced in the Food Security Act of 1985. Recipients of AFDC, SSI, and state general assistance programs were made eligible to receive food stamps by virtue of their being recipients of these other government programs. In 1996, when TANF replaced AFDC as the U.S. cash welfare program, TANF recipients were also given categorical eligibility. However, be-

---

[26] "Concurrent SNAP–UI receipt is substantially more common than sequenced receipt, though this ratio shifts over time. [B]y the end of 2008 most new SNAP recipients in every state receive a UI payment in the same month that they begin SNAP. On average, in the five states over this timeframe, 68.4 percent of the SNAP–UI connection among all SNAP recipients is concurrent (while the other 31.6 percent is sequenced) and 79.2 percent of the SNAP–UI connection among new SNAP recipients is concurrent (with the other 20.8 percent sequenced)." Theresa Anderson, John A. Kirlin, and Michael Wiseman, *Pulling Together: Linking Unemployment Insurance and Supplemental Nutrition Assistance Program Administrative Data to Study Effects of the Great Recession* (Alexandria, VA: U.S. Department of Agriculture, 2012), *http://digitalcommons.unl.edu/cgi/viewcontent.cgi?article=1948&context=usdaarsfacpub* (accessed February 23, 2015).

[27] U.S. Department of Agriculture, Food and Nutrition Service, "Supplemental Nutrition Assistance Program Participation and Costs," *http://www.fns.usda.gov/pd/SNAPsummary.htm* (accessed August 11, 2014).

[28] U.S. Census Bureau, "Table 2. Poverty Status, by Family Relationship, Race, and Hispanic Origin," *http://www.census.gov/hhes/www/poverty/data/historical/hstpov2.xls* (accessed August 8, 2014); and U.S. Department of Agriculture, Food and Nutrition Service, "Supplemental Nutrition Assistance Program Participation and Costs," *http://www.fns.usda.gov/sites/default/files/pd/SNAPsummary.pdf* (accessed August 8, 2014).

[29] The figures below for number of households involved have not been corrected for likely duplication.

[30] David Super and Stacy Dean, *New State Options to Improve the Food Stamp Vehicle Rule* (Washington, D.C.: Center on Budget and Policy Priorities, January 2001), *http://www.cbpp.org/cms/?fa=view&id=870* (accessed July 13, 2012).

[31] U.S. Department of Agriculture, *Supplemental Nutrition Assistance Program: State Options Report* (Alexandria, VA: U.S. Department of Agriculture, November 2012), *http://www.fns.usda.gov/sites/default/files/10-State_Options.pdf* (accessed February 22, 2015).

[32] Gene Falk and Randy A. Aussenberg, *The Supplemental Nutrition Assistance Program: Categorical Eligibility* (Washington, D.C.: Congressional Research Service, March 2012), *http://www.nationalaglawcenter.org/assets/crs/R42054.pdf* (accessed July 13, 2012).

cause TANF money could be used for more than just cash assistance, it was unclear who constituted a "TANF recipient." In 2000, the USDA issued regulations regarding TANF categorical eligibility for SNAP that allows states the option of conferring categorical eligibility for SNAP on a TANF family if at least one member of the family receives or is authorized to receive TANF-funded cash assistance or "non-assistance."[33] As of January 2012, only five states restrict categorical eligibility to the receipt of cash assistance and five states restrict categorical eligibility to the receipt of cash assistance or specified non-assistance such as child care. The remaining forty states and D.C. confer categorical eligibility through the receipt of either cash assistance or any non-assistance that is provided using TANF funds, including such minimal elements as pamphlets describing benefit programs.

The SNAP regulations also impose a cap on income eligibility (200 percent of poverty) for SNAP categorical eligibility established by the receipt of TANF non-assistance under purposes three and four of TANF (to prevent and reduce the incidence of out-of-wedlock pregnancies or to encourage the formation and maintenance of two-parent families). The SNAP regulations do not impose an income eligibility cap for TANF purposes one and two (provide assistance to needy families and end dependence of needy families by promoting job preparation, work and marriage), but all states that confer TANF through non-assistance have instituted one. As of July 2014, twenty-seven states had gross income caps higher than 130 percent but not higher than 200 percent of poverty.[34]

The Congressional Research Service estimated that, in 2011, about five percent of all SNAP households had income above 130 percent of poverty.[35] That is about 1.1 million households.

- ***Verifying income eligibility only once a year.*** Prior to 2002, after eligibility was verified, all households were required to have their earnings recertified every 3 months. For households with earnings, states had the option of using "simplified reporting." This meant that states could increase certification periods up to 1 year and households were only required to report an increase in earnings if it made them no longer eligible for food stamps. (Income was required to be re-verified every 6 months.) The Farm Security and Rural Investment Act of 2002 ("2002 Farm Bill") gave states the option to use simplified reporting for all SNAP households, not just those with earnings. As of November 2012 (the latest data available), all states except for California used simplified reporting.[36]

  What impact do lengthening certification periods have on enrollment and program costs? Maria Hanratty of the University of Minnesota found that extending certification periods to 6 months and requiring food stamp recipients to report a change in income during the certification period only if it results in their income exceeding 130 percent of poverty led to a 9.2 percent increase in food stamp participation between 2001 and 2003 (using the 2001 panel of the SIPP).[37]

- ***Eligibility for noncitizens.*** The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 made noncitizens ineligible to receive SNAP benefits. The 2002 Farm Bill restored eligibility to legal noncitizens

---

[33] TANF "non-assistance' is a category of benefits that was created to allow states to help low-income families without starting the clock on TANF's lifetime, 5 year limit on benefits. TANF non-assistance can go to families with incomes in excess of 185 percent of poverty or with assets greater than TANF's general limit. non-assistance can include non-recurrent, lump sum benefits, child care, transportation and work subsidies, state earned income tax credits, and counseling.

[34] Gene Falk and Randy A. Aussenberg, *The Supplemental Nutrition Assistance Program: Categorical Eligibility* (Washington, D.C.: Congressional Research Service, July 2014), *https://www.fas.org/sgp/crs/misc/R42054.pdf* (accessed February 18, 2015).

[35] Gene Falk and Randy A. Aussenberg, *The Supplemental Nutrition Assistance Program: Categorical Eligibility* (Washington, D.C.: Congressional Research Service, July 2014), *https://www.fas.org/sgp/crs/misc/R42054.pdf* (accessed February 18, 2015).

[36] U.S. Department of Agriculture, *Supplemental Nutrition Assistance Program: State Options Report* (Alexandria, VA: U.S. Department of Agriculture, November 2012), *http://www.fns.usda.gov/sites/default/files/10-State_Options.pdf* (accessed February 18, 2015).

[37] Maria Hanratty, "Has the Food State Program Become More Accessible? Impacts of Recent Changes in Reporting Requirements and Asset Eligibility Limits," *Journal of Policy Analysis and Management* vol. 25, no. 3 (2006): 603–621, *http://www3.interscience.wiley.com/cgi-bin/fulltext/112651064/PDFSTART* (accessed November 14, 2008).

who (1) have been in the United States for 5 years, (2) are under age eighteen, or (3) receive disability benefits.[38]

In 2012, the USDA reported that about 1.2 million SNAP households (about five percent of all SNAP households) had a noncitizen that received benefits and another 1.3 million SNAP households (about six percent of all SNAP households) had citizen children receiving benefits living with a noncitizen, non-recipient adult.[39]

- ***Counting less income and allowing more deductions in calculating net income.*** To be eligible for SNAP, recipients must have gross income below 130 percent of the poverty line and *net income* below 100 percent of the poverty line. The gross income requirements are waived for recipients who are categorically eligible for SNAP benefits. Net income is calculated by taking gross income and subtracting a number of deductions: a standard deduction (for "basic unavoidable costs"), a 20 percent earnings deduction, a dependent care deduction, a child support deduction for recipients paying child support, a shelter deduction, and a medical expenses deduction for the elderly or disabled. The 2002 and 2008 Farm Bills (officially the "Food, Conservation, and Energy Act of 2008") increased the amount of the standard deduction, removed the cap of the dependent care deduction, and allowed states to not require recipients to report changes in their deductions until their next re-certification.[40] In 2012, the USDA reported that SNAP recipients with earned income had an average monthly gross income of $1,203, but net incomes of only $556, a difference of $694 dollars.[41] This has the effect of increasing the number of eligible households and incentivizing eligible non-recipient households to enroll to take advantage of higher benefits.
- ***Increasing the amount of benefits.*** The 2008 Farm Bill increased the minimum monthly SNAP benefits from $10 a month to "8 percent of the thrifty food plan for a household of one" for one- and two-person households (about $16 a month in 2012).[42] The 2009 American Recovery and Reinvestment Act (ARRA) increased the maximum benefit amount for each size of SNAP household by another 13.6 percent.[43] These increases may have contributed to the increase in the take-up rate of SNAP benefit because it substantially increased the amount of SNAP benefits for eligible households with earnings for whom the initial benefit otherwise would have represented a negligible increase in their income. According to a USDA report, the percentage of eligible individuals receiving SNAP increased from 54.1 percent in 2002 to 70.8 percent in 2012.[44]

The maximum benefit increase, however, was designed to be temporary. The maximum SNAP benefit is based on the Thrifty Food Plan which is increased annually to account for inflation in food prices. The ARRA legislation, however,

---

[38] U.S. Department of Agriculture, *Supplemental Nutrition Assistance Program: Guidance on Non-Citizen Eligibility* (Alexandria, VA: U.S. Department of Agriculture, June 2011), *http://www.fns.usda.gov/snap/government/pdf/Non-Citizen_Guidance_063011.pdf* (accessed July 13, 2012).

[39] Kelsey F. Gray and Esa Eslami, *Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2012* (Alexandria, VA: U.S. Department of Agriculture, February 2014), *http://www.fns.usda.gov/sites/default/files/2012Characteristics.pdf* (accessed February 18, 2015).

[40] U.S. Department of Agriculture, Food and Nutrition Service, "2002 Farm Bill: Section-by-Section Summary of Provisions Affecting Food Stamp Provisions," *http://www.fns.usda.gov/cga/2002_farm_bill/food_stamps.html* (accessed July 13, 2012); and Dottie Rosenbaum, *Food Stamp Provisions of the Final 2008 Farm Bill* (Washington, D.C.: Center on Budget and Policy Priorities, July 2008), *http://www.cbpp.org/cms/index.cfm?fa=view&id=310* (accessed July 13, 2012).

[41] Kelsey F. Gray and Esa Eslami, *Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2012* (Alexandria, VA: U.S. Department of Agriculture, February 2014), *http://www.fns.usda.gov/sites/default/files/2012Characteristics.pdf* (accessed February 18, 2015).

[42] Dottie Rosenbaum, *Food Stamp Provisions of the Final 2008 Farm Bill* (Washington, D.C.: Center on Budget and Policy Priorities, July 2008), *http://www.cbpp.org/cms/index.cfm?fa=view&id=310* (accessed July 13, 2012); and Community Resources Information, "SNAP Food Stamps: What Benefits Will I Get?" *http://www.massresources.org/snap-benefits.html* (accessed July 13, 2012).

[43] Mark Nord and Mark Prell, *Food Security Improved Following the 2009 ARRA Increase in SNAP Benefits* (Alexandria, VA: U.S. Department of Agriculture, April 2011), *http://www.ers.usda.gov/media/127913/err116.pdf* (accessed July 13, 2012).

[44] Kelsey F. Gray and Esa Eslami, *Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2012* (Alexandria, VA: U.S. Department of Agriculture, February 2014), *http://www.fns.usda.gov/sites/default/files/2012Characteristics.pdf* (accessed February 18, 2015).

held the new maximum benefit constant between 2009 and 2013, when it was projected that inflation would have increased the value of the Thrifty Food Plan to the maximum benefit level. However, inflation was less than expected during this period and when the temporary maximum benefit expired, the maximum benefit declined by about five percent.[45]

- **Waived work requirements for able-bodied adults without dependents (ABAWDs).** ARRA also waived the work requirement for SNAP recipients who are able-bodied adults without dependents (ABAWDs) who are required to work at least twenty hours per week, be enrolled in a job training program for twenty hours a week, or participate in workfare. States were able to extend this waiver after the initial waiver expired in 2010. Currently twenty-eight states plus D.C. have waived work requirements for ABAWDs in 2015.[46]

  In 2012, the Congressional Research Service estimated that between 2007 and 2010, the number of ABAWDs increased from 1.7 million to 3.9 million.[47]
- ***Five months of transitional benefits regardless of income.*** TANF recipients who are leaving welfare for work are eligible to receive "transitional SNAP benefits" even if they no longer meet the income requirements. The amount of their benefits is based on the amount they received (or would have received) in their final month of TANF, adjusted for the loss in TANF income.[48] The 2002 Farm Bill extended the number of months of transitional SNAP benefits from three to five.
- ***Ignoring the income of others in the household.*** A SNAP household is defined as "a group of individuals who live together and customarily purchase food and prepare meals together for home consumption."[49] At least some states (and perhaps most), however, have implemented the definition in a way that allows for broader eligibility. In Massachusetts, for example, SNAP applicants self-report their household composition and state agency verification of household composition is only required if there is something "questionable" about the reported household composition. Massachusetts also does not require that the households store food separately from others who live in the house or that they use separate cooking facilities.[50]

  The WIC program has a similar problem and, in a 2009 report on this program, I estimated that the failure to count all of the household's income could, by itself, have expanded the WIC caseload by about 20 percent.[51]

Work Disincentives

One of the most distressing trends of recent years has been the decline in labor force participation.

Less job seeking. As of January 2015, the U.S. labor force participation rate was only about 72.7 percent (compared to its high of 77.4 percent in 1997).[52] About six million working age Americans (2.5 percent) did not have a job and were not looking for one (even as they said they wanted one). That takes them out of the "labor

---

[45] Stacy Dean and Dottie Rosenbaum, *SNAP Benefits Will Be Cut for Nearly All Participants In November 2013* (Washington, D.C.: Center on Budget and Policy Priorities, August 2013), *http://www.cbpp.org/cms/?fa=view&id=3899* (accessed February 23, 2015).

[46] Randy A. Aussenberg, *Supplemental Nutrition Assistance Program (SNAP): A Primer on Eligibility and Benefits* (Washington, D.C.: Congressional Research Service, December 2014), *http://www.fas.org/sgp/crs/misc/R42505.pdf* (accessed February 23, 2015).

[47] Congressional Research Service, *FY2007–FY2012: Able-bodied Adults Without Dependents (ABAWD) Requirements, Statistics, and Waivers* (Washington, D.C.: Congressional Research Service, September 2012), *http://www.scribd.com/doc/106346145/CRS-Memo-ABAWD* (accessed February 23, 2015).

[48] U.S. House of Representatives, Committee on Ways and Means, *Background Material and Data on the Programs within the Jurisdiction of the Committee on Ways and Means* (Washington, D.C.: U.S. House of Representatives, 2008), *http://democrats.waysandmeans.house.gov/media/pdf/110/food.pdf* (accessed July 13, 2012).

[49] *Food Stamp Act of 1977,* as amended through Public Law 108–269, 108th Cong., 2d sess. (July 2, 2004), sec. 3(i)(1)(B), *http://agriculture.senate.gov/Legislation/Compilations/FNS/FSA77.pdf* (accessed July 16, 2012).

[50] Patricia Baker, Deborah Harris, Laura Gallant, Rochelle Hahn, and Helene Newberg, *An Advocate's Guide to the SNAP/Food Stamps/Supplemental Nutrition Assistance Program in Massachusetts* (Boston, Massachusetts Law Reform Institute, January 2012), *http://www.masslegalhelp.org/income-benefits/food-stamps-advocacy-guide/* (accessed July 16, 2012).

[51] Douglas J. Besharov and Douglas M. Call, *The Expansion of WIC Eligibility and Enrollment: Good Intentions, Uncontrolled Local Discretion, and Compliant Federal Officials* (College Park, MD: Welfare Reform Academy, March 2009).

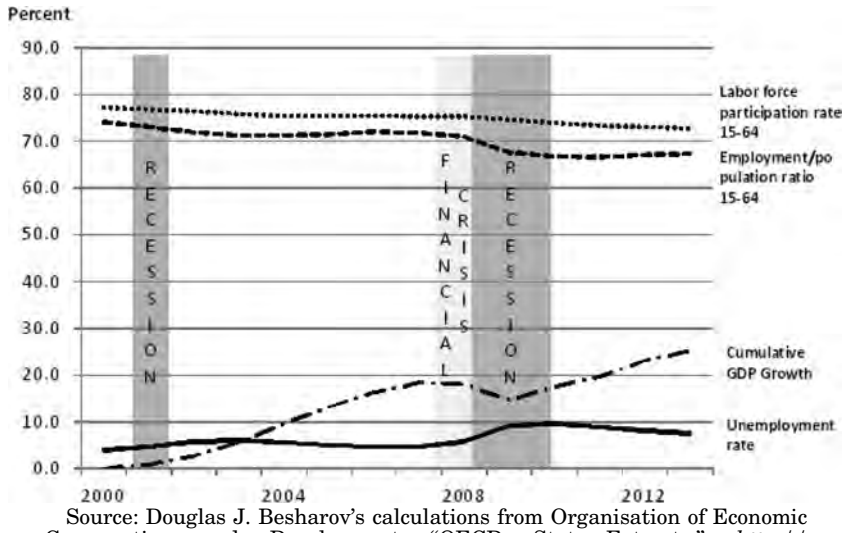
[52] Organisation for Economic Co-operation and Development, "OECD Stats Database," *http://stats.oecd.org/#* (accessed August 6, 2014).

force," and, hence, not officially "unemployed."[53] Federal Reserve Chairman Janet Yellen has called this "shadow unemployment."[54] (See *Figure 2,* showing participation in the labor force of working-age adults.)

Figure 2

U.S. Employment Indicators

2000–2013



Source: Douglas J. Besharov's calculations from Organisation of Economic Co-operation and Development "OECD Stat Extracts," *http://stats.oecd.org/Index.aspx* (accessed February 25, 2015).

Another 49.2 million Americans of working age were not actively looking for a job and, when surveyed, said they did not want a job. (They answered "no" to "Have you looked for a job in the past 4 weeks?" and "Do you currently want a job?"). They explained that they were disabled or ill, enrolled in school, retired, or taking care of the house or others.

Some of the declines in employment among working-age Americans reflect underlying demographic trends. At one end of the working age spectrum, higher percentages of young people are choosing post-secondary education (colleges, community colleges, and specialized job training programs) instead of immediate employment, and, at the other end, an aging Baby Boom generation is predictably accelerating its exit from the labor market. (At the same time, there are more elderly who are working full-time than in the past, presumably because of the asset losses they experienced during the Great Recession. In fact, between 2000 and 2013, the entire increase in the number of individuals in full-time employment has been because of the increase among elderly, those age sixty-five and older, who are working full-time.)[55]

A Council of Economic Advisors report estimates the impact of these demographic factors to be only about 51 percent of the decline in the labor force participation among all workers (not just working age),[56] but, given data limitations, the true number is probably lower.

---

[53] "Unemployment" is defined by the Federal Government as being without a job *and also* looking for one.

[54] Rob Garver, "Yellen Shines a Light on Shadow Unemployment," *Fiscal Times,* June 18, 2014, *http://www.thefiscaltimes.com/Articles/2014/06/18/Yellen-Shines-Light-Shadow-Unemployment* (accessed July 31, 2014).

[55] Organisation for Economic Co-operation and Development, "OECD Stats Database," *http://stats.oecd.org/#* (accessed August 6, 2014).

[56] Council of Economic Advisors, *The Labor Force Participation Rate Since 2007: Causes and Policy Implications* (Washington, D.C.: Council of Economic Advisors, July 2014), *http://www.whitehouse.gov/sites/default/files/docs/labor_force_participation_report.pdf* (accessed August 6, 2014).

No one knows how many of the 49.2 million Americans not in the labor force thought they could not get a job, or were well-enough off from other sources income (perhaps supplemented with safety-net benefits). But given the dearth of good-enough-paying jobs, a sense of palpable discouragement pervades the nation. Many of the long-term jobless feel left behind by what appear to be permanent changes in the economy, and have all but given up. It is difficult to exaggerate the impact of repeated failed job searches. In a 2014 nationwide poll by Express Employment Professionals, an employment staffing company, 47 percent of the unemployed agreed with the statement: "I've completely given up looking for a job." [57]

Worse, the problem seems to be feeding on itself. Many employers have apparently decided that the long-term jobless would not make good employees—because of their attitude, skills, or just plain age.[58] Barring a major increase in demand for American workers—or some change in their willingness to accept lower-wage employment, many of the long-term jobless may never get back to work.

Those directly affected by this weak labor market have paid a high price in lost earnings and emotional stress, and continue to do so. But this high level of nonwork is also an obstacle to the economy's long-term recovery. On June 6, 2014, a *Washington Post* lead editorial worried:

> Declining labor-force participation may be a new characteristic of the post-recession U.S. economy, and it bodes ill for two reasons: The economy's capacity for growth depends on robust use of all available factors of production, the minds and hands of U.S. workers very much included; indeed, the surge of women into the workforce was one of the key drivers of economic expansion in the 1980s and 1990s. Declining labor-force participation implies a rising "dependency ratio" of workers to recipients of social assistance.[59]

According to economic theory, a larger supply of potential workers ordinarily leads to more hiring. The additional job seekers increase competition for jobs, thus lowering starting wages, which encourages employers to expand their workforce, which, in turn, raises economic activity.[60]

Moreover, as the same *Washington Post* editorial suggests, the billions more now being spent on means-tested, safety-net benefits are not available for other pressing societal needs. Consider this very rudimentarily calculated example: If the percent of U.S. households receiving SNAP had remained the same between 2008 and 2013 (about 10.7 percent), spending on SNAP benefits would have been about $122 billion lower than the actual amount spent during this 5 year period; adjusting the base to reflect the increase in poverty still leaves a big $93 billion.[61] (Of course, some of this money might be spent on less worthy causes or not at all because other programs might not enjoy the same level of political support.)

Long-term trends. There is a tendency to blame the labor market's weaknesses on the economic shocks surrounding the recent Financial Crisis and subsequent recession. Many experts, however, think that our current problems have much deeper roots—reflecting long-term, if less noticed, trends. Major elements of the labor market never recovered from the 2001 recession (that is why it was called the "jobless recovery"), and, actually, some underlying conditions have been festering for decades. As President Obama, in his 2009 State of the Union address, pointed out: "The

---

[57] Express Employment Professionals, *Survey Of The Unemployed Shows 47% Say They Have "Completely Given Up" Looking For A Job* (Oklahoma City, OK: Express Employment Professionals, May 2014), *http://www.expresspros.com/subsites/AmericaEmployed/Unemployed-Have-Given-Up-Finding-Job.aspx* (accessed June 2014).

[58] Rang Ghayad, *The Jobless Trap* (Boston: Northeastern University, 2014), *http://media.wix.com/ugd/576e9a_f7ade4b6632949349fd75921699294fa.pdf* (accessed August 7, 2014).

[59] "The Number of Jobs Grows, but Not Labor Force Participation," *Washington Post,* June 6, 2014, *http://www.washingtonpost.com/opinions/the-number-of-jobs-grows-but-not-labor-force-participation/2014/06/06/aa0ee18a-ed9e-11e3-b84b-3393a45b80f1_story.html* (accessed June 15, 2014).

[60] An OECD report explains: "In the long term, labour demand responds to increases in effective labour supply. Experiencing higher effective labour supply, employers may reduce the wages they offer or they may pay the same wages but enjoy increased productivity—either way the profitability of new hires is increased and this motivates employers to create more vacancies." Organisation for Economic Co-operation and Development, *OECD Employment Outlook: 2005* (Paris: OECD, 2006), 178, *http://www.oecd.org/els/emp/36780874.pdf* (accessed June 12, 2014).

[61] Author's calculations from U.S. Department of Agriculture, *Characteristics of Food Stamp Households* (Alexandria, VA: U.S. Department of Agriculture, 2002–2014).

fact is, our economy did not fall into decline overnight. Nor did all of our problems begin when the housing market collapsed or the stock market sank."[62]

For example, the labor force participation of less-educated men (both white and black), has been steadily declining since at least the 1970s. Between 1970 and 2000, for example, the labor force participation of men with a high school diploma declined from 96.3 percent to 86.2 percent (and fell to 79.2 percent in 2012). In the same period, for men without a high school diploma, their labor force participation rate declined from 89.3 percent to 74.9 percent (and declined to 69.7 percent in 2012). Many went onto disability programs after they left the labor force.[63] (The enormity of this decline was obscured because total labor force participation rose as a result of the massive entry of women into the labor force.)

The main reasons for the labor market's long-term weakness are well accepted: global competition from lower-wage and better-managed workers in the developing world (especially as U.S. workers seem to be losing their skills advantage) aggravated by automation (which for the first time may actually reduce total jobs in the economy, at least good ones). Most experts also agree that the main remedies are related: a stronger economy and, to a lesser extent, a better trained U.S. workforce and a more competitive position in world trade (for example, by lowering formal and informal trade barriers).

Research on work disincentives. At least since the Income Maintenance Experiments of the 1960s and 1970s, when a guaranteed income appeared to decrease work and increase divorce (at least among some groups),[64] the role of safety-net benefits as work disincentives has been heavily researched. Almost all serious scholars have concluded that they can reduce labor force participation, but with sharp disagreement about how much they do so. For example, in a 1991 study for the University of Wisconsin Institute on Poverty, Robert Moffitt estimated that every dollar transferred to female-headed households under the old AFDC program reduced the mother's work effort by 37¢.[65] Researchers have attributed at least part of the falling labor force participation rates for all men, and especially those with less education, to their declining employment prospects combined with the relative availability of disability benefits.[66]

The work discouraging effect of safety-net programs should be neither surprising or controversial. Their very purpose is to make getting a new job less urgent. They are supposed to soften the financial hardships of unemployment, and, thus, to give the unemployed time to find a good job. This is unquestionably a valid societal goal, but, at some point, safety-net benefits can become large enough to make working seem not worthwhile to large numbers of people, at least not right away. *The question is usually not whether the unemployed will earn as much as their benefits, but, rather, whether they will earn enough more than their benefits to justify working* (taking into account, on the one hand, the possibility of advancement and, on the other, of working off the books.)

There is sharp disagreement, however, about the size of these effects and whether corrective action is needed or even possible—partly because so much depends on the specifics of the study. To generalize from a large and conflicting literature, the actual impact of safety-net benefits on labor force participation depends on a host of factors, including the size and nature of the benefit, the participation requirements attached to its receipt, the household's other sources of income, the recipient's real or perceived job prospects (and other characteristics), the degree to which it is phased out or ends suddenly at a specific income (a "cliff"), and a host of social and economic contextual factors. (For many low-income recipients, however, the existence of even minimal income support may be as important as the implicit tax rate on higher earnings.)

---

[62] Barack H. Obama, "Address to Joint Session of Congress," (speech, U.S. Congress, Washington, D.C., February 24, 2009), *http://www.whitehouse.gov/the_press_office/Remarks-of-President-Barack-Obama-Address-to-Joint-Session-of-Congress* (accessed August 6, 2014).

[63] Chinhui Juhn and Simon Potter, "Changes in Labor Force Participation in the United States," *Journal of Economic Perspectives* 20, no. 3 (Summer 2006): 27–46, *http://www.class.uh.edu/faculty/cjuhn/Papers/docs/30033665.pdf* (accessed August 8, 2014).

[64] Alicia H. Munnell, *Lessons from the Income Maintenance Experiments: An Overview* (Washington, D.C.: Brookings Institution, 1986), *https://www.bostonfed.org/economic/conf/conf30/conf30a.pdf* (accessed July 31, 2014).

[65] Robert Moffitt, *Incentive Effects of the U.S. Welfare System: A Review* (Madison, WI: Institute for Research on Poverty, 1991), *http://www.irp.wisc.edu/publications/sr/pdfs/sr48.pdf* (accessed July 22, 2014).

[66] Chinhui Juhn and Simon Potter, "Changes in Labor Force Participation in the United States," *Journal of Economic Perspectives* 20, no. 3 (Summer 2006): 27–46, *http://www.class.uh.edu/faculty/cjuhn/Papers/docs/30033665.pdf* (accessed July 16, 2014); and Jane R. Wilkie, "The Decline in Men's Labor Force Participation and Income and the Changing of Family Economic Support," *Journal of Marriage and the Family* 53 (February 1991): 111–122.

At one extreme, Casey Mulligan, an economist at University of Chicago, has written:

> I found that, among the 23 million layoffs experienced by non-elderly American household heads and spouses during 2009 and the second half of 2008, at least four million of them resulted in job acceptance penalty rates near or above 100 percent. . . . meaning that they could be (and perhaps were) laid off with little or no short-term reduction in their disposable income even if they had to compensate their employer for the UI payroll tax liabilities associated with the layoff as a consequence of "experience-rated" UI financing. The large majority of these workers were in that situation because of the safety net rule changes implemented by the ARRA.[67]

The Absence of SNAP Work Requirements

As I have described, states are financially and politically rewarded when they move people off UI and TANF (programs with at least some activation requirements) and on to SNAP. This incentive was not created deliberately, but, rather, is a historic accident of how and when the programs were established.

Although the SNAP program does have some work requirements,[68] as Ron Haskins of the Brookings Institution and others have noted, "These requirements do not seem to be rigorously enforced."[69] The absence of meaningful job search or work-related activity requirements in SNAP can undermine UI and TANF work requirements—because SNAP benefits rise if UI or TANF are terminated or reduced. If the average UI recipient (in a three-person household) loses benefits, monthly SNAP benefits rise from about $180 to about $530. If the average TANF recipient (in a three-person household) loses benefits (about $430 a month), then monthly SNAP benefits rise from about $400 to about $530 a month.

It is possible to correct this problem. In April 2014, the University of Maryland and the Secretary's Innovation Group (SIG), with the assistance of the American Public Human Services Association (APHSA), cosponsored a 1 day meeting on how to implement the SNAP pilots authorized in the 2014 Farm Bill in a way that will reduce dependency and increase work levels. Seven state human services secretaries attended the meeting as well as about six senior professional Congressional staff, and about five senior Administration officials. Through the associated webinar, senior state officials from thirteen other states participated.[70]

These pilots, the product of an awkward political compromise, may well point the way to meaningful reform. However, I think the problem goes deeper. Although the states administer the SNAP program, pay ½ of its administrative costs, and essentially decide who will receive benefits, they do not pay for any of the benefit costs. Those are covered entirely by the Federal Government. Hence, they have no incentive to reduce SNAP caseloads, and, in fact, as we have seen, have an incentive to shift recipients from their state-funded TANF programs to the federally-funded SNAP, while keeping the resulting savings and enjoying the political benefit of a reduced cash welfare caseload. In contrast, because states can keep the money that they save in TANF, they are more cautious with spending and focus on limiting the growth of the caseload.

Real reform probably requires that the states be made financial partners of the Federal Government. States should have a more direct financial stake in the proper governance of SNAP programs, including of eligibility determinations. Given that all program funds come from the Federal Government, a substantial liberalization of eligibility determinations was predictable. State officials have little reason to be cost conscious—as long as program funds seem available. And they have even less rea-

---

[67] Casey B. Mulligan, "Work Incentives, the Recovery Act, and the Economy," (testimony, U.S. House of Representatives, Committee in Oversight and Government Reform, Washington, D.C., February 14, 2013), *http://www.policyuncertainty.com/app/Mulligan-Testimony.pdf* (accessed February 23, 2015).

[68] "With some exceptions, able-bodied adults between 16 and 60 must register for work, accept suitable employment, and take part in an employment and training program to which they are referred by the SNAP office. Failure to comply with these requirements can result in disqualification from the Program." U.S. Department of Agriculture, Food and Nutrition Service, "Supplemental Nutrition Assistance Program: Employment Requirements," *http://www.fns.usda.gov/snap/applicant_recipients/employ_require.htm* (accessed December 12, 2012).

[69] Ron Haskins, "Reflecting on SNAP: Purposes, Spending, and Potential Savings," (testimony, House Subcommittee on Nutrition and Horticulture, Washington, D.C., May 8, 2012), *http://www.brookings.edu/research/testimony/2012/05/08-snap-haskins* (accessed December 12, 2012).

[70] University of Maryland School of Public Policy, "Implementing the SNAP Pilot Projects to Reduce Dependency and Increase Work Levels," *http://www.welfareacademy.org/pubs/foodassist/SNAP_Webinar.shtml* (accessed February 24, 2015).

son to take on "street-level bureaucrats" and the vast discretion they enjoy.[71] As in the case of many of other Federal, means-tested programs, states should be required to pay a portion of SNAP's program costs so that they would have a stake in enforcing eligibility rules. (Properly structured, this would make it possible to give states the flexibility to shift how they spend funds—to spend less on expanding enrollment and more on enhancing services for current recipients, such as spending more time on job training, job seeking, and, yes, nutritional counseling.)

International Comparisons

Starting in the 1970s, many European countries experienced similarly worrisome declines in employment and labor force participation. Across the original fifteen members of the European Union (EU–15),[72] between 1970 and 1982, the percentage of the population employed fell from 61 percent to 57.8 percent (before beginning a slow increase). For men, the decline was much longer and steeper, from 83.7 percent in 1970 to 70.5 percent in 1994.[73] Overall labor force participation increased during this period, but only because more women were entering the labor force. At the same time, in most countries, new highs were reached in the percent of the population receiving government benefits from unemployment, disability, and social assistance programs.

In response, a growing number of developed countries introduced policy reforms aimed at "activating" the recipients of safety net benefits who might be able to work, that is, requiring them to perform work-related activities while receiving benefits. (The U.S. welfare reforms of the 1990s were an early part of this movement, but since then, some other developed countries have made more fundamental reforms to their labor activation policies.) Since the 1990s, one country after another has modified its safety net programs, as described in this policy brief. The countries that made the most extensive changes are Australia, Denmark, Germany, the Netherlands, the United Kingdom, and, to a lesser extent, Finland, France, Italy, Japan, Norway, Spain, and Sweden. These countries made both substantive changes (tightening eligibility, limiting the duration of benefit receipt, and mandating job search and other work-first activities) and administrative changes (consolidating programs, decentralizing authority, outsourcing services, and incentivizing systems of financing and reimbursement).[74] The key aspects of the changes can be summarized under three overarching themes:

- **Synchronizing benefits** across safety-net programs to facilitate seamless benefit receipt over time as well as activation efforts, so that, as individuals were time-limited off UI and disability programs, they were transitioned to cash welfare or subsistence programs;
- **Encouraging work** by embedding coordinated activation requirements, phase outs and time limits on benefits (before transfers to other programs), and workforce development services in most major safety-net programs and, when possible, by reducing high marginal tax rates and other disincentives to work; and
- **Decentralizing authority while strengthening accountability** in order to facilitate programmatic innovation and experimentation within ongoing performance measurement systems, often operated using performance-based funding mechanisms.

Few of these changes have been rigorously evaluated. Although no one can say that they have successfully lowered long-term recipiency and increased labor force participation, the evidence from similar policies adopted in the past indicates that if, implemented well, they have the potential to do so.[75] According to a World Bank

---

[71] Michael Lipsky, *Street-Level Bureaucracy: Dilemmas of the Individual in Public Services* (New York: Russell Sage, 1980).

[72] Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, and the United Kingdom.

[73] Organisation for Economic Co-operation and Development, "OECD Stats Database," *http://stats.oecd.org/#* (accessed August 6, 2014).

[74] Many, but not all, of these changes were discussed at a joint University of Maryland/OECD conference titled "Labour Activation in a Time of High Unemployment" held at the OECD headquarters in Paris, France on November 14–15, 2011.

[75] See, for example, David Grubb, "Unemployment Benefits and Activation as Influences on Labor Market Outcomes," (presentation, Labour Activation in a Time of High Unemployment conference, Paris, France, November 13, 2011), *http://umdcipe.org/conferences/LaborActivationParis/Papers/David%20Grubb-2011-UBactivation_11_1108.pdf* (accessed June 11, 2012); and Konstantinos Tatsiramos and Jan C. Van Ours, "Unemployment Insurance and Unemployment Dynamics in Europe," (paper, Labour Activation in a Time of High Unemploy-

Continued

report on labor activation programs: "One conclusion from a review of existing evidence is that well-designed policies can have a positive impact on employment outcomes for participants, but that many existing policies have in fact failed to prove effective or cost efficient." [76] Moreover, the changes seem to enjoy reasonable political acceptance from the left and right. If not initially, over time. And they seem to have maintained the essentials of that nation's safety-net.

Hence, it is worthwhile to review what these countries have done to adjust their safety nets to encourage labor force participation at a time of high joblessness. It is not that their programs should be simply transplanted here; there are surely too many economic, social, and political differences for that to be possible, let along make sense. But just as certainly, the general approaches they adopted are worthy of consideration.

Our focus in the U.S. should be on rationalizing interactions among our patchwork of safety-net programs—TANF, SNAP, UI, and disability—which too often create a work disincentive for low-skilled or difficult to employ citizens. A possible solution is to combine—or at least align—the administration of these programs and to add what the Europeans call "labor activation" (akin to job search requirements) to all recipients of government assistance.

* * * * *

Thank you for this opportunity to share my research and views with you.

The CHAIRMAN. Thank you.

Mr. Greenstein?

STATEMENT OF ROBERT GREENSTEIN, FOUNDER AND PRESIDENT, CENTER ON BUDGET AND POLICY PRIORITIES, WASHINGTON, D.C.

Mr. GREENSTEIN. Thank you very much, Mr. Chairman, for inviting me and for the opportunity to be here today. I have been working on this program for over 40 years, and had the privilege at one point in the late 1970s of serving as Administrator of the Food and Nutrition Service.

Doug and I agree that SNAP has played the central role in eliminating severe hunger and malnutrition in this country. This led former senator, Bob Dole, to call SNAP the nation's most important social program advance since social security. And over the years, SNAP has taken advantage of modern technology and business practice to become more efficient and accurate.

I don't know if my slides are up. Can I pause for a second? I thought the slides had been arranged.

The CHAIRMAN. Yes, stop his clock.

Mr. GREENSTEIN. What do I need to do? I am sorry. No?

The CHAIRMAN. There we go.

Mr. GREENSTEIN. There we go. My apologies. I am sorry. I am not too gifted technologically.

SNAP's error rate is now at an all-time low. Fewer than one percent of benefits are issued to ineligible households. The benefits are relatively modest. They average about $1.40 per person per meal, and they are highly targeted; 92 percent of SNAP benefits go to families with monthly income below the poverty line, 57 percent go to families with income below ½ the poverty line. SNAP can help families bridge periods of temporary hardship until they get back on their feet.

---

ment conference, Paris, France, November 13, 2011), *http://umdcipe.org/conferences/LaborActivationParis/Papers/Tatsiramos%20and%20Van%20Ours.pdf* (accessed June 11, 2012).

[76] Herwig Immervoll, *Activation Policies in OECD Countries: An Overview of Current Approaches* (Washington, D.C.: World Bank, 2012), 8, *http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/280558-1334441996287/SPL_Policy_Note_14.pdf* (accessed August 8, 2014).

Between 2008 and 2012, ½ of all new entrants to SNAP left the program within 1 year, participated for no more than a year and then left the program. SNAP also appears to have important long-term effects on children. A recent study found that children who had received SNAP had much higher high school graduation rates, and better health, including less obesity in adulthood, than comparable low-income kids who didn't have SNAP. And women who had access to SNAP in childhood had higher earnings and lower rate of welfare receipt in adulthood.

Now, SNAP participation and costs have grown in recent years. CBO and other analysts have found the biggest reason by far is the economy, but the next most important reason has been an increase in the share of eligible families, especially low-income working families who participate. In 2002, only 43 percent of eligible low-income working families participated. In 2012, 72 percent did.

Congress in the Bush and Clinton Administrations concluded that some aspects of SNAP were making it unnecessarily hard for working-poor families to enroll. They concluded that if families leaving welfare for low-paid work lost their SNAP benefits at the same time, and had difficulty feeding their families, that would be contrary to welfare reform goals. Most of the policy changes, for example, that Doug listed in his testimony, that have been made since 2000 were made to better serve low-income working families. And as this chart indicates, SNAP has made big progress here. Look at this chart. The share of families who are on welfare has plummeted. The share who work has increased pretty dramatically.

Now, this brings me to the biggest cause of SNAP's recent growth; the deep problems in the economy from which we are only starting now to make substantial progress. Some people look at the growth in SNAP caseloads and wonder if they will ever come down, but the best assessment is that as the economic recovery finally reaches ordinary families, caseloads and cost will drop significantly. That is CBO's assessment. Caseloads have dropped by about 1.5 million people over the last 18 months or so, and now stand at 46 million. CBO projects they will drop to below 33 million by the end of the decade. And when budget analysts, whether they are conservative or liberal, ask if Federal programs are growing in ways that worsen the nation's fiscal challenges, they ask if program costs are rising as the share of the economy, growing as the share of GDP.

CBO's projection for SNAP is that its costs will decline as the share of the economy as the recovery continues, and by 2020, be all of the way back to their 1995 cost level as the share of GDP.

Finally, does SNAP discourage people from working? The conclusion of a team of leading researchers who examined all of the research in the field is that SNAP does not pose significant work disincentives, and its effect on the amount that people work is small. And indeed, Census data show that people—of people who worked before enrolling in SNAP, 96 percent then worked in the year after beginning to get SNAP benefits, which suggests that turning to SNAP does not lead people to cease working.

SNAP's work requirements are stronger than is often realized. SNAP has the toughest work requirement of any Federal program. People aged 18 to 50 who are not raising children are limited to

3 months on SNAP out of every 3 years, unless they are working at least part-time. Job search does not count. If you can't find a job, you are out after 3 months.

Now, as Mr. Peterson alluded to, this requirement was suspended in much of the country while the economy was weak, but it is now coming back. At least one million such people will be removed from the program between now and the end of 2016. Now, that doesn't mean SNAP can't do better in helping people gain jobs, and the recent farm bill establishes demonstration projects from which we should learn to learn how to do that more effectively.

In conclusion, SNAP is a lifeline for millions of people. The program can be improved, but it is worth noting that when the Simpson-Bowles Commission, under the Domenici-Rivlin deficit reduction taskforce, called for substantial budget cuts, they both excluded cuts in SNAP, given its strong track record in improving access to food, and reducing poverty and hardship for millions of our less fortunate fellow Americans.

Thank you.

[The prepared statement of Mr. Greenstein follows:]

PREPARED STATEMENT OF ROBERT GREENSTEIN, FOUNDER AND PRESIDENT, CENTER ON BUDGET AND POLICY PRIORITIES, WASHINGTON, D.C.

Thank you for the invitation to testify today. I am Robert Greenstein, President of the Center on Budget and Policy Priorities, a policy institute in Washington, D.C. that conducts research and analysis on budget, tax, and economic policy, policies related to poverty, and a number of social programs. The Center has no government contracts and accepts no government funds.

I've had a long history of involvement with the nation's food assistance programs and the Supplemental Nutrition Assistance Program (SNAP) in particular. I had the privilege of serving as special assistant for food assistance policy to the Secretary of Agriculture in 1977 and 1978 and as Administrator of the Food and Nutrition Service at USDA, which oversees SNAP and other food assistance programs, in 1979 and 1980.

My first invitation to testify before Congress came from this Committee, for a hearing on food stamps some 40 years ago, in early 1975. It has been a great privilege to work closely with Members of both parties over the years on food stamps.

My testimony today is divided into three sections: (1) SNAP's track record; (2) a discussion of program growth; and (3) an assessment of issues related to SNAP and employment.

I. The Program's Track Record

SNAP has played a central role in largely eliminating severe hunger and malnutrition in the United States. We often forget how serious those problems used to be. In the late 1960s, the Field Foundation sponsored a team of doctors and medical researchers who examined hunger and malnutrition, especially among poor children, in Appalachia, areas of the South, and other very poor areas. This research was conducted before the Food Stamp Program had started in much of the country. The doctors then returned to the same areas in the late 1970s for another examination. Their findings from the late 1970s, issued in what became a famous report, speak for themselves:

> In the Mississippi Delta, in the coal fields of Appalachia and in coastal South Carolina—where visitors 10 years ago could quickly see large numbers of stunted, apathetic children with swollen stomachs and the dull eyes and poorly healing wounds characteristic of malnutrition—such children are not to be seen in such numbers. Even in areas which did not command national attention 10 years ago, many poor people now have food. . . .[1]

The medical researchers credited food stamps as being the single largest factor responsible for this progress, concluding that "no program does more to lengthen and strengthen the lives of our people than the Food Stamp Program." Findings

[1] "Hunger in America: The Federal Response," Field Foundation, 1979.

such as this led then-Senator Robert Dole to describe the Food Stamp Program as the most important advance in the nation's social programs since the creation of Social Security.

Consistent with its original purpose, SNAP continues to provide a basic nutrition benefit to low-income families and people who are elderly or have disabilities and can't afford an adequate diet. Recent studies show that SNAP has a marked effect in reducing what analysts call "food insecurity," particularly among high-risk children. In addition, a recent demonstration project in which SNAP benefits were raised in summer months for families with school children who don't receive school meals during that time found that the added SNAP benefits cut by ⅓ the percentage of children who skipped meals or otherwise ate less because their families lacked adequate resources.

In important respects, today's program is stronger than at any previous point. By taking advantage of modern technology and business practices, SNAP has become substantially more efficient and accurate (its error rate is at its lowest level on record), while keeping administrative costs modest. (Some 92 percent of Federal SNAP expenditures go for benefits to enable households to purchase food.) While many low-income Americans continue to struggle, this would be a very different country without SNAP.

An Overview of SNAP

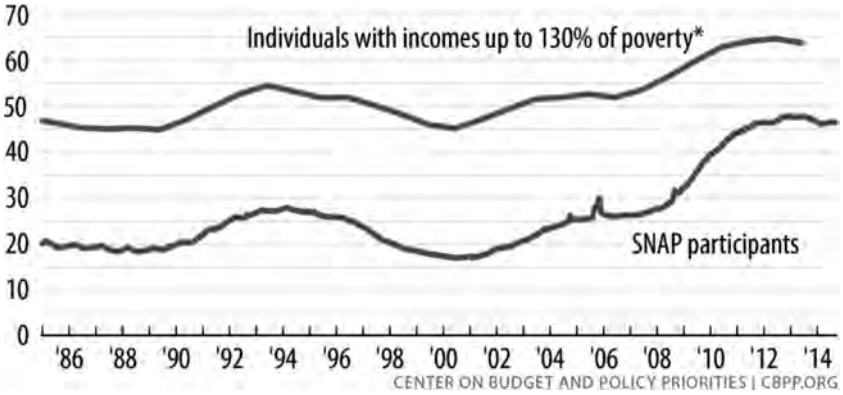
As of the end of 2014, SNAP was helping more than 46 million low-income Americans to afford a nutritionally adequate diet by providing them with benefits via a debit card that can be used only to purchase food. The benefits are relatively modest. SNAP participants receive an average benefit of $1.42 per person per meal.

Eligible people who apply can receive benefits, and when poverty and need increase, the program expands. Then when the economy grows robustly again, the program contracts. This enables SNAP to respond quickly and effectively during times of economic downturn and increased need.

Figure 1

SNAP Caseloads Closely Track Changes in Number of Poor and Near-Poor

In millions, through September 2014



*Poverty numbers are annual estimates and not yet available after 2013. Spikes in SNAP participants are from disaster benefits (*i.e.,* after hurricanes).

Sources: Department of Agriculture (SNAP program participants); Census Bureau (annual estimates of individuals below 130% of poverty).

SNAP can respond immediately to help families bridge temporary periods of unemployment or a family crisis. If a parent loses her job, SNAP can help her feed her children until she is able to improve her circumstances. A USDA study of SNAP participation from 2008 to 2012 found that ½ of all new entrants to SNAP participated for 1 year and then left the program when their need passed.

SNAP's ability to respond quickly to changes in need is also important when natural disasters strike. States can provide emergency SNAP within a matter of days to help disaster victims purchase food. After the devastating 2005 hurricanes

Katrina, Rita, and Wilma, SNAP provided several million people with temporary food assistance.[2]

SNAP's caseloads grew in recent years primarily because more households qualified for SNAP due to the recession and very sluggish recovery that followed until recently, and also because more of the households that were eligible applied for assistance. The Congressional Budget Office (CBO) has found that "the primary reason for the increase in the number of participants was the deep recession . . . and subsequent slow recovery; there were no significant legislative expansions of eligibility."[3]

This responsiveness in recessions also benefits the economy, by helping to maintain overall demand for food when the economy falters. CBO and Moody's Analytics rate SNAP expenditures as one of the most effective supports for the economy during economic downturns. CBO has observed that increases in SNAP expenditures during economic slumps have one of the biggest "bangs for the buck" of any of a broad range of possible fiscal policies for shoring up a weak economy; in other words, SNAP's expansion in recessions produces some of the largest increases in economic activity and employment per budgetary dollar expended.

Also of note is the program's progress in reducing error rates. Despite the caseload growth of recent years, the program's error rate has come down steadily and is now at its lowest level on record. Fewer than one percent of benefits are provided to households that should have been found ineligible. The overall net loss to the Treasury due to SNAP errors (which reflects overpayments to households that should have been found ineligible or that received too large a benefit, minus underpayments to households given too small a benefit) equaled two percent in 2013, a very low percentage for a program of its size. (See the box on page 7 of this testimony for a further discussion of this issue.)

The National Journal has rated SNAP one of the government's most successful programs, citing both its responsiveness to people in need and its low error and fraud rates. The program is a "case study in effective government aid," *National Journal* concluded.

SNAP participation and spending have now begun to decline as the economic recovery has finally begun to reach some low-income SNAP participants. Fewer people participated in SNAP in each of the last 15 months for which data are available (September 2013 through November 2014) than in the same month 1 year earlier. Some 1.5 million fewer people participated in SNAP in November 2014 than when participation peaked in December 2012. I will discuss program growth and cost trends in more detail later in this testimony.

Targeting Benefits by Need

SNAP targets benefits on those most in need and least able to afford an adequate diet. Its benefit formula considers a household's income level, along with its essential expenses such as rent, medicine, and child care needed to work. Although a family's income is the most important factor affecting its ability to purchase food, it is not the only factor; a family whose rent and utility costs consume ⅔ of its income will have less money to buy food than a family that has the same income but receives a rental voucher to cover a portion of its rental costs.

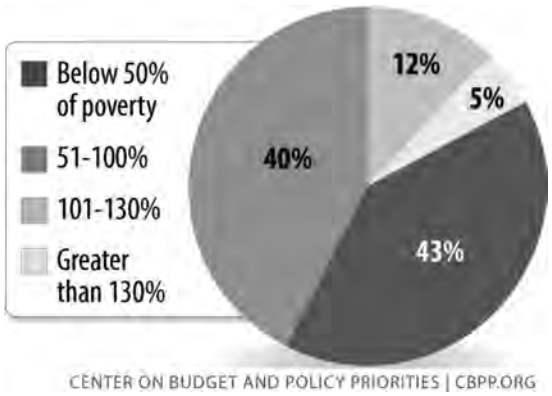
---

[2] Kenneth Hanson and Victor Oliveira, "The 2005 Gulf Coast Hurricanes' Effect on Food Stamp Program Caseloads and Benefits Issued," Economic Research Service, U.S. Department of Agriculture, ERS Report Number 37, February 2007, *http://www.ers.usda.gov/media/200715/err37_reportsummary_1_.pdf*.

[3] Congressional Budget Office, "The Supplemental Nutrition Assistance Program," April 2012, *http://www.cbo.gov/sites/default/files/cbofiles/attachments/04-19-SNAP.pdf*.

Figure 2

Two-Fifths of SNAP Households Are Below ½ the Poverty Line



Source: USDA household characteristics data, FY 2013.

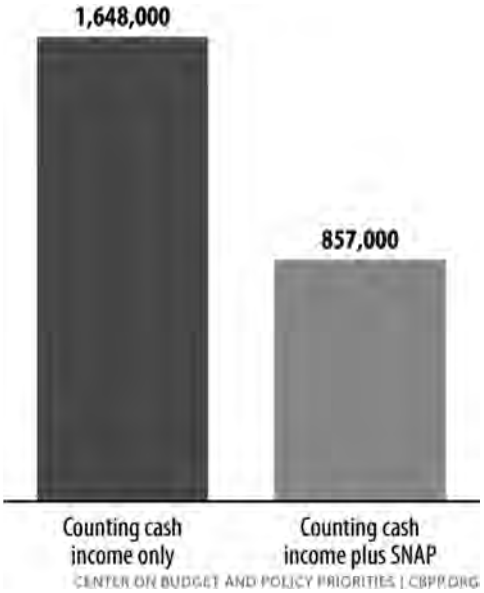
The program's targeting of benefits adds some complexity. However, it helps to ensure that SNAP provides the largest levels of assistance to the poorest families with the greatest needs, and lesser assistance to those whose level of need is less severe.

Due to this targeting, approximately 92 percent of SNAP benefits go to households with monthly incomes below the poverty line, and 57 percent go to households with incomes below ½ of the poverty line (below about $9,895 for a family of three in 2014).

Figure 3

SNAP Cuts Extreme Poverty Almost in ½

Number of households with children, in 2011, living on $2 or less per person per day



Source: Shaefer and Edin, "Rising Extreme Poverty in the United States and the Response of Federal Means-Tested Transfer Programs," National Poverty Center, University of Michigan, May 2013.

This targeting of assistance also means that benefits tend to be higher in areas of the country where wages and public assistance benefits are lower. This makes SNAP especially important in southern states and rural areas, where wage rates generally are lower. Federal expenditures for SNAP benefits generally are higher in southern and rural states, relative to the size of the state population, than in other states.

These features help account for SNAP's large impact in reducing poverty. Census data, using the Supplemental Poverty Measure (which counts SNAP and other government non-cash benefits as income, as most analysts believe should be done in measuring poverty), show that SNAP kept 4.8 million people out of poverty in 2013, including 2.1 million children, and made millions more less poor. SNAP is also one of the two most effective programs at lifting children out of *deep* poverty (defined as living below ½ of the poverty line).

Also of note is a study conducted by the National Poverty Center at the University of Michigan, which looked at the number of U.S. households living on less than $2 per person per day, a standard that the World Bank uses to measure destitution in third-world countries. The study found that without SNAP, 1.65 million American families with children lived on less than $2 per person per day in 2011, but that SNAP cut this number nearly in ½.[4]

Impact on Health and Self-Sufficiency

Reducing hunger and food insecurity, and lifting people out of poverty, are important. But the question also arises: what are the program's longer-term effects?

A recent landmark study, issued by the National Bureau of Economic Research, sheds light on this question. In this study, several leading poverty researchers examined what happened when the Federal Government introduced food stamps in the late 1960s and early 1970s. The researchers were able to make use of the uneven roll-out of the program in that period to match poor children who had access to food stamps in the early 1970s to comparable poor children from counties that hadn't yet implemented the program. The researchers examined educational, health, and employment-related records for these children in subsequent decades in order to assess the long-term effects of food stamps. They found that adults who had access to food stamps as young children had an 18 percentage point higher high school graduation rate than the children who hadn't had access to food stamps. The children with access to food stamps also had significantly lower rates of "metabolic syndrome" (obesity, high blood pressure, heart disease, and diabetes) and better health in adulthood. In addition, women who had access to food stamps as young children had higher earnings and lower rates of welfare receipt in adulthood.[5]

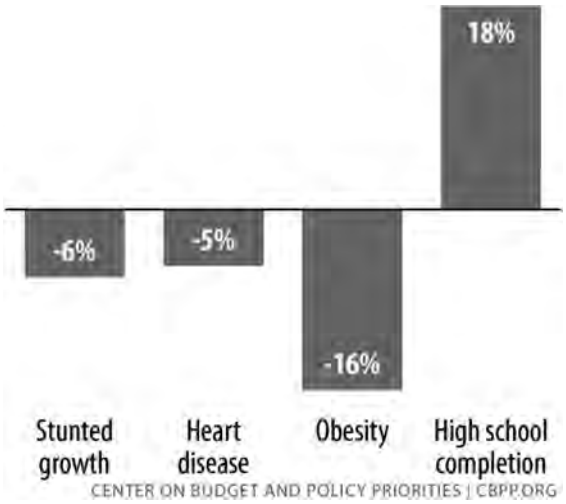
[4] H. Luke Shaefer and Kathryn Edin, "Rising Extreme Poverty in the United States and the Response of Federal Means-Tested Transfer Programs," *http://npe.umich.edu/publication/u/2013-06-npe-working-paper.pdf*.

[5] Hilary W. Hoynes, Diane Whitmore Schanzenbach, and Douglas Almond, "Long Run Impacts of Childhood Access to the Safety Net," National Bureau of Economic Research Working Paper 18535, 2012, *www.nber.org/papers/w18535*.

Figure 4

Children With Access to SNAP Fare Better Years Later

Percentage-point change in outcomes for adults who received SNAP as children, compared to adults who did not receive SNAP as children



Source: Hoynes, Schanzenbach, and Almond, "Long Run Impacts of Childhood Access to the Safety Net," National Bureau of Economic Research, November 2012.

Error Rates in SNAP

SNAP has one of the most rigorous error measurement systems of any public benefit program. Each year, states take a statistically representative sample of SNAP cases (totaling about 50,000 cases nationally) and investigate the accuracy of their eligibility and benefit decisions. Federal officials then re-review a subsample of these cases to ensure the accuracy of the state determinations. States are subject to fiscal penalties if their error rates are persistently higher than the national average.

SNAP error rates now stand at record lows. Fewer than one percent of SNAP benefits are issued to households that do not meet all of the program's eligibility requirements.

In addition, the program's combined overpayment rate—*i.e.,* the percentage of SNAP benefit dollars issued to ineligible households *plus* the percentage issued to eligible households in excessive amounts—fell for the seventh consecutive year in 2013 to 2.61 percent. The *under*payment error rate fell to 0.6 percent, with the result that the net loss to the government from errors was about two percent of benefits.

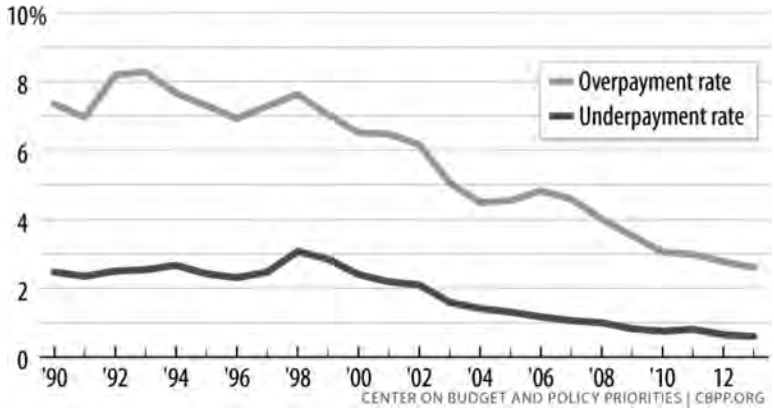
In comparison, the Internal Revenue Service estimates a tax noncompliance rate of 16.9 percent in 2006, the most recent year studied, representing a $450 billion loss to the Federal Government. Underreporting of business income alone cost the Federal Government $122 billion in 2006.

The large majority of SNAP errors result from mistakes by recipients, eligibility workers, data entry clerks, or computer programmers (rather than fraud). States have reported that almost 60 percent of the dollar value of overpayments (and almost 90 percent of the dollar value of underpayments) were the result of state agency error, rather than due to actions by recipients.

Figure 5

SNAP Error Rates at All-Time Low

Fiscal Years 1990–2013



Source: Quality Control Branch, U.S. Food and Nutrition Service.

SNAP and the Budget: Simpson-Bowles, Domenici-Rivlin, and the Gang of Six

The SNAP program has accomplished a great deal. It also can be further improved. But it warrants noting that various distinguished non-partisan or bipartisan groups have all recommended that it not be a target for budget cuts.

The deficit-reduction commission chaired by former Senator Alan Simpson and former White House chief of staff Erskine Bowles, as well as the Bipartisan Policy Center panel chaired by former Senator Pete Domenici and former CBO and OMB director Alice Rivlin, called for substantial budget cuts, as well as tax reforms to promote growth and raise revenue. Both commissions excluded cuts in SNAP, given its importance and its track record in improving access to food and nutrition and reducing poverty and hardship.

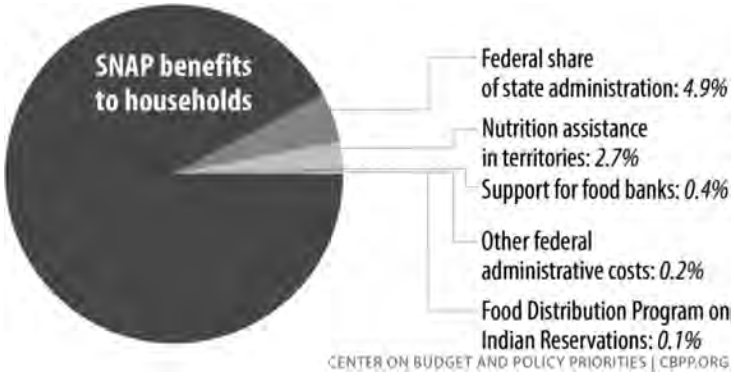
When the Senate's bipartisan Gang of Six developed its framework for deficit reduction in 2011, it, too, protected SNAP from cuts. In addition, a diverse group of Christian leaders representing the Catholic Bishops' Conference, the Episcopal Church, the Salvation Army, the National Association of Evangelicals, and others has issued a call for policymakers to safeguard the poor in deficit reduction and to draw a "circle of protection" around programs targeted on them—including SNAP.

Where Federal SNAP Dollars Go

Some 92 percent of Federal SNAP expenditures goes for benefits to low-income households for the purchase of food. Of the remaining eight percent, about five percent is used for the Federal share of state administrative costs, including conducting eligibility determinations, operating SNAP employment and training programs, providing nutrition education to SNAP households, and conducting anti-fraud activities. About three percent goes for other food assistance programs such as the block grant for food assistance in Puerto Rico and American Samoa, commodity purchases for The Emergency Food Assistance Program (which helps food pantries and soup kitchens), and commodities for the Food Distribution Program on Indian Reservations.

Figure 6

92 Percent of Federal SNAP Spending Is for Benefits



Source: Department of Agriculture, Fiscal Year 2014.

II. Program Growth

SNAP participation and costs have grown in recent years. It's important to understand the causes of these developments and their implications.

Some have looked at SNAP caseload growth since 2000, along with the lack of a more dramatic reduction in SNAP caseloads in the past few years as the unemployment rate has receded, as signifying that something has fundamentally changed in SNAP—either that the program has experienced big eligibility expansions or that it no longer becomes smaller as the economy recovers.

As I'll explain, one needs to scrutinize SNAP data going farther back than 2000, as well as a broader set of economic measures than just the unemployment rate, to assess these issues. When one does, one sees that SNAP has not seen fundamental change that is permanently elevating its costs.

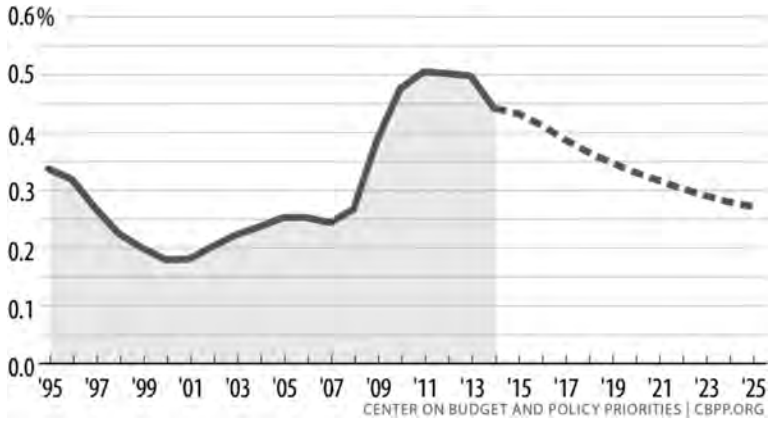
That is the conclusion of the institution most skilled in analyzing these issues, the Congressional Budget Office. CBO projects that as the labor market improves, the number of SNAP participants will steadily decline, from 46.5 million in Fiscal Year 2014 to 32.8 million by 2025 (the end of CBO's 10 year budget window), when the share of the population receiving SNAP assistance will be close to its pre-recession level of about nine percent.

CBO also projects what SNAP and other Federal programs will cost. People concerned about the nation's long-term fiscal problems—irrespective of where they sit on the political spectrum—generally focus on spending, taxes, and deficits measured as *a share of the economy, or GDP.* For example, a proposal that many conservatives favor—to amend the Constitution to require a balanced budget each year and to place a cap on total Federal spending—would set the spending cap as a percentage of GDP. The core of the nation's fiscal challenge for future decades is that as the population ages and health care costs rise, increased spending for Social Security and health care will cause total Federal spending to rise as a share of GDP while revenues remain relatively flat as a share of GDP.

Figure 7

SNAP Costs Starting To Fall, Projected To Fall Further

Spending as a share of gross domestic product



Sources: Office of Management and Budget, Bureau of Economic Analysis, and Congressional Budget Office January 2015 baseline.

Accordingly, when analysts ask whether or not a program will contribute to our long-term fiscal problems, they generally ask whether it will rise in cost as a share of GDP. And in this regard, CBO's assessment of SNAP costs is instructive.

SNAP costs began to fall in 2014, and CBO projects that by 2020 SNAP costs will be all of the way back to their mid-1990s level as a share of GDP. Further, CBO projects no increase in SNAP costs as a share of GDP after that. By this standard, SNAP is not one of the causes of our long-term fiscal challenges. This may seem surprising at first blush, given the increases in SNAP costs and participation. So, let's review the recent history.

Cost Increases Since 2000

Some have used 2000 as a starting point for looking at SNAP participation and cost trends and noted the large increases since then. As in most areas of budgetary analysis, however, the year selected as a "starting point" can skew the results, and that is the case here. SNAP participation and costs were atypically low in 2000 for several reasons. In the first years after implementation of the 1996 welfare law, SNAP participation and costs plummeted, in significant part due to a large *decrease* in the share of eligible families receiving SNAP. The 1996 welfare law was intended to encourage work. But due to problems in state administrative systems in the first years of the welfare law, many families moving from welfare to work and joining the ranks of the working poor were cut off SNAP when they left welfare, even though they remained eligible for SNAP.

This was contrary to what Congress intended. Aggravating this problem, some states instituted administrative practices in those years that had the unintended effect of making it harder for many working-poor parents to participate, largely by requiring them to take too much time off from work for repeated visits to SNAP offices at frequent intervals, such as every 90 days to reapply for benefits. This prompted many analysts and state policy officials from across the political spectrum to call for reforms that would improve access to SNAP for low-income working families, and led both the Clinton and the Bush Administrations to act to address this problem. There was bipartisan consensus that having a policy under which a family needed to be on welfare to receive food stamps, and faced significant difficulty receiving food stamp assistance if it left welfare for work at low wages, would reduce work incentives and was contrary to welfare reform goals. Congress enacted significant, although relatively modest, changes in 2002 and 2008 to lessen barriers to SNAP participation among the working poor.

USDA data show that the percentage of eligible households actually receiving SNAP benefits fell sharply from 75 percent in 1994 to 54 percent in 2002. Since then, it has rebounded and now stands at 83 percent, the highest participation rate on record. A large share of this increase in the participation rate is due to the program's significant improvement in serving the working poor. The percentage of eligi-

ble individuals in low-income working families that receive SNAP rose by more than ⅔—from 43 percent in 2002 to about 72 percent in 2012.[6]

Several other factors may also have contributed to the increase in the participation rate. The widespread and prolonged effects of the recession—particularly record long-term unemployment—may have made it more difficult for family members and communities to help people struggling to make ends meet. Many households that already were poor became poorer and may have been in greater need of assistance.

In addition, research has found that take-up of SNAP among eligible households is higher when benefits are larger. The Recovery Act's temporary SNAP benefit increase, which was in effect through October 2013, may have contributed to higher participation rates.

In essence, two factors have been responsible for the lion's share of the increase in SNAP participation and costs since 2000: the poor performance of the economy, to which I'll turn shortly, and the substantial rebound in the share of eligible households that actually receive SNAP, following the large drop in the program's participation rate in the late 1990s.[7]

Other factors are small by comparison. On the program eligibility side, more states adopted "categorical eligibility" over the past decade in order to simplify the program, reduce administrative costs, and reach low-income working families that incur substantial costs for items such as child care. But CBO has found that categorical eligibility accounts for only two percent of program costs. In addition, while as a result of the weakened economy, most states qualified for statewide waivers from the provision of SNAP law that limits unemployed individuals aged 18–50 who aren't raising children to 3 months of SNAP benefits out of every 3 years, those waivers are now ending in most places. At least one million such individuals will be removed from the program in 2016.

Finally, the increase in caseloads cannot be explained by increases in error and fraud. As noted, the program's error rate has declined. The percentage of benefits provided to households that should have been found ineligible is now below one percent.

The Role of the Economy

As noted, SNAP participation and costs have begun to decline. Some 1.5 million fewer people received SNAP in November 2014 than in December 2012.

While SNAP enrollment has begun to recede, however, it hasn't declined as rapidly as the unemployment rate over the past couple of years. This has led some to assume there is something unusual or disturbing going on with the SNAP program. Close examination indicates, however, that this isn't the case (as CBO's analysis also indicates).

When the economy begins to emerge from downturns, reductions in poverty—and in SNAP participation—virtually always follow only with a significant lag. As CBO explained in 2012:

> "Even as the unemployment rate began to decline from its 1992, 2003, and 2010 peaks, decreases in [SNAP] participation typically lagged improvement in the economy by several years. For example, the number of SNAP participants rose steadily from about 20 million in the fall of 1989 to more than 27 million in April 1994—nearly 2 years after the unemployment rate began to fall and a full 3 years after the official end of the recession in March 1991."[8]

When CBO made this observation, it was predicting that the number of individuals receiving SNAP benefits in Fiscal Year 2015 would be 46.2 million. This is virtually identical to CBO's current estimate of 46.0 million participants for the current fiscal year.

Why should the decline in SNAP participation lag the decline in the unemployment rate to this extent? The key point here is that the unemployment rate is an

---

[6] The most recent year for which USDA publishes estimates is 2012.

[7] From 2009 through 2013, the temporary SNAP benefit increase enacted as part of the 2009 Recovery Act also contributed to the increase in costs. The temporary benefit increase ended on October 31, 2013.

[8] Congressional Budget Office, "The Supplemental Nutrition Assistance Program," April 2012. Two other studies of SNAP rolls during the Great Recession also found that their patterns have been consistent with previous economic cycles. Marianne Bitler and Hilary Hoynes, "The More Things Change, the More They Stay the Same? The Safety Net and Poverty in the Great Recession," National Bureau of Economic Research, Working Paper 19449, September 2013, *http://www.nber.org/papers/w19449.pdf* and Peter Ganong and Jeffrey B. Liebman, "The Decline, Rebound, and Further Rise in SNAP Enrollment: Disentangling Business Cycle Fluctuations and Policy Changes," National Bureau of Economic Research, Working Paper 19363, August 2013, *http://www.nber.org/papers/w19363.pdf?new_window=1.*

incomplete—and inadequate—measure for assessing changes in the labor market. As former Federal Reserve chair Ben Bernanke explained in July 2013, the unemployment rate "overstates the health of our labor markets given [labor-force] participation rates and many other indicators of underemployment and long-term unemployment." An array of other key economic measures that are relevant to SNAP participation and costs have shown much less improvement.

- While the unemployment rate has fallen considerably, part of that decline reflects people giving up looking for work and dropping out of the labor market because they've concluded they can't find a job. To measure what is actually happening to jobs and employment, analysts often look directly at the *employment rate* (rather than the *unemployment rate*)—*i.e.,* the share of people age 16 and over who have a job. After falling from 63 percent in 2007 to 58.4 percent in 2011, the share of people 16 and over with a job has improved only modestly. It stood at only 59 percent in 2014. To be sure, part of the erosion reflects the aging of the population. But this figure highlights the fact that the labor market has not recovered nearly as much as the decline in the unemployment rate would suggest. This is the point that Bernanke was making.
- In addition, long-term unemployment remains exceptionally high. In no recession from the end of World War II to 2007 did the percentage of unemployed workers who were *long-term* unemployed workers—people who had been out of work more than 6 months and were still looking for a job—ever exceed 26 percent of the unemployed. Yet in January 2015, some 31.5 percent of the nation's nine million unemployed workers were long-term unemployed. This is especially relevant because the long-term unemployed are much more likely to have exhausted their assets and other support—and to qualify for and seek help from SNAP—than workers unemployed for shorter stretches.
- On a related front, the number of unemployed workers *not* receiving unemployment benefits—the group of the unemployed that is most likely to qualify for SNAP because they have *neither* wages *nor* unemployment insurance (UI) benefits—has continued to grow *and was actually higher in 2014 than at the bottom of the recession.* There were an average of 14.3 million unemployed workers in 2009, of whom 5.1 million didn't receive UI benefits. By 2014, the number of unemployed had fallen to 9.6 million—but 6.9 million were without UI benefits—35 percent more than in 2009, when the economy was at its lowest point.

  This reflects the end of *Federal* unemployment benefits for the long-term unemployed as well as cuts in *state* unemployment benefits in a number of states. Today, fewer than three in ten (27 percent) of unemployed workers receive unemployment benefits. This is the lowest level on record (with data back to 1971).[9]
- Another important factor is that the share of workers who want to work full time but can only find part-time work neared historic highs during the recession and remains elevated today. The Bureau of Labor Statistics' most comprehensive alternative unemployment rate measure, which includes people who are working part time because they cannot find full-time jobs and people who want to work but aren't actually looking, stood at 11.3 percent in January—2.5 percentage points higher than at the start of the recession. By this measure, about 18 million people are unemployed or underemployed, twice the 9.0 million people in the official unemployment measure.

These disappointing labor-market realities also are reflected in data on poverty. In 2013, the most recent year for which official poverty data are available, 45 million people were poor. This was eight million more than in 2007 (before the recession) and 1.7 million more than in 2009 (when the economy hit bottom).

A final important economic factor is the erosion of wages at the low end of the wage scale. Between 1973 and 2013, the share of male workers who earn below-poverty hourly wages (*i.e.,* wages too low to lift a family of four to the poverty line with full-time, year-round work), rose from 17 percent to 24 percent. Looking just at a more recent period, the wages that workers at the 10th percentile of the wage distribution received in the last quarter of 2014 were three percent below the 2009 levels, after adjusting for inflation; wages at the 25th percentile of the wage distribution were five percent below the 2009 level.

The erosion of the minimum wage has played a role here. The current wage floor of $7.25 an hour is 24 percent below the peak value in the late 1960s, after adjust-

[9] Claire McKenna, "The Job Ahead: Advancing Opportunity for Unemployed Workers," National Employment Law Project, February 2015, *http://www.nelp.org/page/-/UI/Report-The-Job-Ahead-Advancing-Opportunity-Unemployed-Workers.pdf?nocdn=1.*

ing for inflation. While the minimum wage equaled about ½ the average hourly wage of private non-supervisory workers in the 1950s and 1960s, it now equals 35 percent of this average wage. The Council of Economic Advisers estimates that increasing the value of the minimum wage in 2014 to its real average value in 1979 would have directly increased wages for the lowest eight percent of wage earners.

The point here is that a substantial share of formerly unemployed workers continue to qualify for SNAP when they find jobs because their wages are low. (And as noted, SNAP does a much better job than it used to of serving eligible working-poor families; a larger share of such families now participate in the program.)

The erosion of wages for low-paid work is one of the reasons that the proportion of SNAP recipients who are working while receiving SNAP has substantially increased. More than ½ of families with children that receive SNAP have earnings while they are receiving SNAP benefits. This percentage continued to grow even during the recession.

This leads to a larger observation. Developments in the economy—and policy decisions made in other policy areas outside SNAP and the purview of this Committee—have a significant bearing on SNAP participation and costs. When real wages erode at the bottom of the wage scale, the minimum wage is frozen for an extended period of time while prices rise, or state governments reduce the number of weeks or the amount of unemployment benefits, SNAP participation and costs increase.

A similar dynamic operates on the housing front. When the number of poor households that pay more than ½ of their income for rent and utilities rises (due to rents rising faster than incomes, reductions in Federal housing assistance, or the like), more poor households qualify for the SNAP program's excess shelter deduction. This raises their SNAP benefit so they can afford both to feed their families and pay the rent. Between 2003 and 2013, the number of low-income households paying more than ½ of their income for rent and utilities soared from 4.7 million to 7.5 million—an increase of nearly 60 percent.

As noted, the number of SNAP recipients is expected to continue declining as the economic recovery more fully takes hold for lower-income workers. In addition, while the SNAP "participation rate"—the percentage of eligible households that receive benefits—is now at its highest level on record, it may decline somewhat in the years ahead. Research shows that SNAP participation rates are higher for households that qualify for larger benefits. Researchers believe that the temporary increase in the SNAP benefit level enacted as part of the Recovery Act led to an increase in the SNAP participation rate—and that with the end of the benefit increase, the participation rate will likely decline somewhat over time.

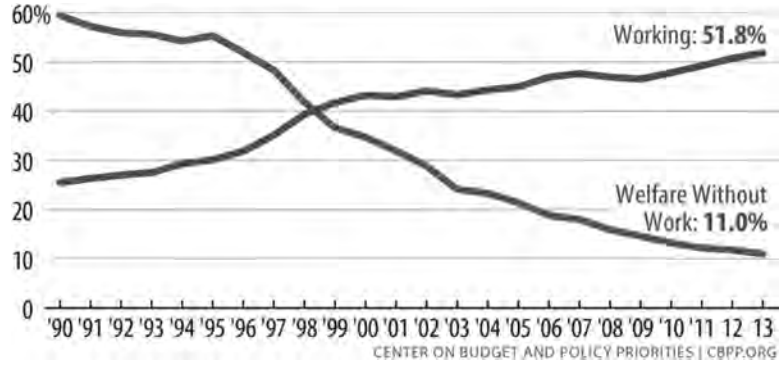
III. SNAP and Employment

One of the most significant changes in SNAP in recent decades has been its transformation from principally a welfare supplement program to principally a work support program. As *Figure 8* shows, in 1990, 60 percent of SNAP households with children received cash welfare assistance and had no earnings, while about 25 percent had earnings from employment. By 2013 (the latest year for which these data are available), only 11 percent received welfare and lacked earnings, while 52 percent worked and had earnings.

Figure 8

Working Households on the Rise

Share of SNAP households with children by type of income



Source: CBPP Tabulations of SNAP Quality Control Data.

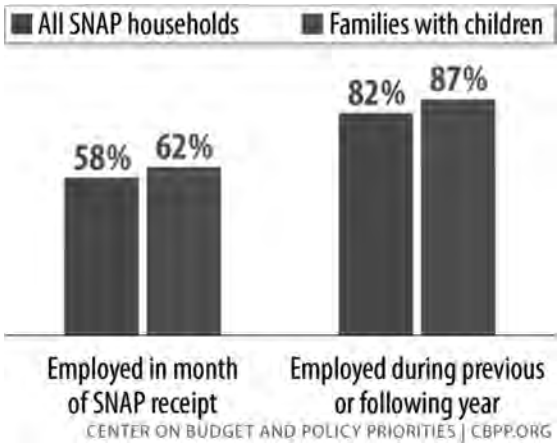
This is a dramatic change. Among SNAP families with children, there used to be about 2½ times more families receiving welfare and not having earnings than there were working families. Now, there are nearly five times as many working families as non-working families receiving welfare cash assistance.

To be sure, a substantial share of SNAP households still lack earnings while on SNAP, though this percentage is lower than it used to be. But this needs to be understood in context. Research has shown that losing a job is the most common event that leads new participants to enroll in SNAP. Households that experienced a job loss were 63 percent more likely to seek SNAP than low-income families that didn't experience a job loss.

Figure 9

SNAP Households With Working-Age Non-Disabled Adults Have High Work Rates

Work participation for households that received SNAP in a typical month



Source: CBPP calculations based on 2004 SIPP Panel data.

If a household loses its job and enrolls in SNAP, and then leaves the program when it lands a new job, the program data will show the household as being jobless while on SNAP. But the household will have maintained a strong attachment to the labor force, and SNAP will have done its job in helping the family put food on the table until it could get back on its feet.

Accordingly, to understand the program's connection to work, we need to understand the degree to which SNAP participants work before and after going on SNAP, not just their work status while they are receiving benefits. Among SNAP households with a working-age adult who isn't disabled, more than ½ work while receiving SNAP, and more than 80 percent work in the year before or after a typical month receiving SNAP. The rates are higher for families with children—more than 60 percent work while receiving SNAP, and 87 percent work in the prior or subsequent year.[10]

Of particular note, among households that worked before enrolling in SNAP, 96 percent worked in the year after starting to receive SNAP; only four percent did not. This suggests that turning to SNAP does not lead people to cease working or trying to work.

Indeed, the number of SNAP households that have earnings while participating in SNAP more than tripled between 2000 and 2013, from about two million to about 7.1 million. The increase continued even during the recession, which suggests that more people have been turning to SNAP because of low wages or underemployment (for example, when one wage-earner in a two-parent family loses a job, when a worker's work hours are cut, or when a worker turns to a lower-paying job after being laid off). During the recession, the number and share of SNAP households with earnings increased even as the overall number of Americans who are employed declined and the number of long-term unemployed swelled.

These data are consistent with the leading academic research in the field, which finds that SNAP does not have significant work disincentive effects. A comprehensive review and synthesis of the research literature that examined the behavioral effects of an array of safety-net programs, including SNAP, and was conducted by some of the field's leading scholars and published by the National Bureau of Economic Research, found SNAP's overall impact on work to be small. This doesn't mean, however, that SNAP couldn't do better in helping participants that lack jobs to secure them—a topic to which I will return shortly.

Figure 10

Nearly All Households That Worked Before Receiving SNAP Continued Working

Work participation in year after starting to receive SNAP among households that worked in prior year

Source: CBPP calculations based on 2004 SIPP Panel data.

How Long Do People Stay on SNAP?

One set of data that can help illuminate these issues, but can also engender confusion, concern how long participants remain on SNAP. The implications that's often drawn is that if people stay on a program for very long periods of time, the program may not be appropriately connecting them to the labor market.

As analysts know, the issue of how long participants remain on SNAP (or any other program) is complicated and often misunderstood. An analogy to a hospital room helps to explain why—and is crucial to understanding SNAP caseload dynamics.

Consider a hospital room with two beds. Over a 30 day period, one bed is occupied by the same person throughout. The other bed is occupied by five different people who have short hospital stays and then leave. If you ask what share of those who are patients in the hospital room on any given day are "long stayers," the answer is 50 percent (one of the two people then in the room). But if you ask what share

[10] The figures are based on data from the Survey of Income and Program Participation (SIPP) for the mid-2000s, but preliminary analysis finds that they declined only modestly during the recession. Preliminary analysis of SIPP data for 2008–2010 finds that among non-disabled working-wage SNAP households, the percentage that worked in the year before or after a typical month of SNAP receipt edged down by only three percentage points, from 82 percent to 79 percent, despite the sharp rise in unemployment.

of all patients over the course of the month were long stayers, the answer is 16 percent—one in six.

That is precisely what the SNAP rolls are like. The most recent study of SNAP caseload dynamics found that of all people who entered the program between 2008 and 2012, some 26 percent left the program within 4 months, 52 percent left within 12 months, and 67 percent left within 24 months. For families with children, the typical (or median) spell on SNAP was 12 months. For elderly people living alone, by contrast, the median length of time on the program was more than 51 months.

These data show that most people going on SNAP who are not elderly or disabled do not remain on the program continuously for extended periods of time. (Some do return when they encounter subsequent financial hard times and then leave the program again.)

But at the same time, if you take the SNAP caseload *in a given month* and ask what is the typical length of stay on the program of those participating in that particular month, the answer is more than 5 years. This is the equivalent of asking what share of the hospital beds in our hypothetical hospital room were occupied by a long stayer on a given day.

Finally, data on the length of stay on the program cannot, by themselves, yield sufficient information on the relationship of SNAP to employment. As noted earlier, with the erosion of wages on the low end of the pay scale, especially for male workers with no more than a high school education, people can work at low wage jobs for a number of years and remain eligible for SNAP throughout that time.

The SNAP Employment and Training Program

People sometimes ask if SNAP has work requirements. It does, and they are stronger than people often realize. In fact, for childless adults, they are the most stringent of any Federal program. People aged 18 to 50 who are not raising minor children may receive SNAP benefits for only *3 months* (while they are not employed at least ½ time) out of every *3 years,* even if they have looked diligently for work but cannot find it.

When the amendment establishing this requirement was offered on the House floor in 1996, its sponsors said that if a SNAP recipient couldn't find a job on his or her own, the individual would be provided a workfare slot and only those refusing to do workfare would be cut off after 3 months. In most places, however, the workfare (or other qualifying work) slots were never created. Currently only five states operate the requirement this way. In the rest, people who do not find a job on their own in 3 months are cut off, regardless of how hard they may be looking for work.

I have also heard this requirement mistakenly described as one that cuts off benefits after 3 months for people who won't search for a job, but that isn't accurate. Job search does not count under the requirement.

In my view, job search ought to count. I also believe that people who cannot find a job should be offered a work or training slot—and cut off SNAP if they refuse to take it—rather than being cut off because no slot has been offered to them. The people who are subject to this 3 month benefit limit have average income of only 19 percent of the poverty line (about $2,200 a year) and typically don't receive any other income or nutrition support.

In recent years, this requirement has largely been suspended in many states; the provision enacted in 1996 authorized states to obtain temporary waivers of this requirement during periods when the economy is weak and unemployment is elevated, and most have done so statewide in recent years. As noted earlier, most states will no longer qualify for those statewide waivers as their local unemployment rates improve. At least one million individuals will lose food assistance in 2016 as a result of this requirement.

Turning to SNAP participants who have children, SNAP work rules and requirements essentially complement those in the Temporary Assistance for Needy Families block grant, the program established under the 1996 welfare law. The 1996 law gave states options to impose tough *SNAP* sanctions on TANF households who fail to comply with TANF work or other behavioral requirements. This includes the termination of SNAP benefits for the entire family for up to 6 months (unless the family has a child under age 6).

States use this flexibility to design and augment the force of their TANF work and behavioral requirements. States also operate SNAP employment and training (E&T) programs for SNAP participants who are not subject to work requirements in TANF or other programs, and states can and do impose SNAP benefit sanctions on participants who fail to comply with SNAP employment and training program rules.

USDA data show that between 70,000 and 100,000 people live in a household where an individual's SNAP benefits have been terminated for failure to meet a work requirement. This number is an understatement; these data do not include households where the entire household has been removed from the program for not meeting a work requirement.

The SNAP program does, however, have a weakness in this area: due to limited funding, the SNAP employment and training program is able to provide work or training slots for only a relatively modest portion of SNAP recipients who lack employment and aren't enrolled in, or subject to, another work program or another set of work requirements such as those under TANF.

Another weakness is that SNAP employment and training programs have not been especially effective at placing participants in private-sector jobs or helping them gain skills that would enhance their ability to find and retain jobs. The SNAP E&T program isn't unique here. A number of employment and training programs have mixed or disappointing track records.

Fortunately, there is now hope for improvement here. The 2014 Farm Bill created a major demonstration project under which up to ten states will test innovative employment and training strategies, with a rigorous, independent evaluation being conducted of the effects on employment, earnings, and other factors. We currently have limited knowledge about what strategies are successful in increasing employment among SNAP participants, and these pilots should provide valuable information on how the SNAP employment and training program can better serve SNAP participants to achieve desired results.

USDA will shortly announce the states selected for the demonstration, and I hope and expect that a broad range of approaches will be tested. I would urge policymakers on both side of the aisle to let the demonstration run its course and not rush to make big changes in SNAP employment and training rules before we have the results. The last several decades have seen a number of Congressional efforts to improve other Federal employment and training programs without the type of knowledge that these demonstrations should yield. Despite good intentions, such earlier efforts to improve employment and training programs have often yielded disappointing results. We need this time to be different, and that entails being patient until the demonstration results are in, and then applying them.

There is, however, another hopeful opportunity in which I urge the Committee to become involved. Historically, the job training programs funded and operated under the Workforce Investment Act have largely bypassed SNAP participants, focusing instead on people who already possess job experience and skills. (A GAO study found that SNAP E&T participants generally have limited education—they often aren't high school graduates—and limited job skills.) Fortunately, the bipartisan Workforce Investment Act reauthorization Congress that enacted last year calls for these training programs to orient more to disadvantaged individuals. The new law also encourages state workforce agencies to collaborate more closely with state SNAP E&T programs, and it includes an option for states to submit a combined workforce plan that includes programs like SNAP E&T. Connecting SNAP participants to a broader range of employment and training services should allow more of these individuals to gain the skills needed to find employment, with positive effects both for these individuals and for SNAP costs (which will be lower if more participants secure jobs). I would recommend that the Committee work to make sure that this promising aspect of the new job training law is realized in practice. To this end, a review of how the Department of Labor and local workforce boards are expanding job training options for SNAP participants under the new law would be worthwhile.

Finally, in thinking about SNAP and employment, I would urge the Committee to weigh the effects of various policies not only on employment among adults currently on SNAP, but also on the future employment prospects of children in families that receive SNAP. As noted earlier, research suggests that when poor families with children receive SNAP while the children are young, the children (especially girls) are more likely to be employed and not on welfare as adults. This suggests that care should be taken to protect children's access to the important nutritional assistance that SNAP provides.

IV. A Final Thought on Strengthening Program Integrity

I understand the Committee will be undertaking a comprehensive review of SNAP over the next year. I would recommend that as part of this oversight, the Committee consider ways to facilitate greater use of data matching to further strengthen program integrity and improve client service through improved efficiencies. There may be opportunities to enhance this aspect of program operations across the country.One issue to explore is how to provide more SNAP caseworkers with strong ca-

pacity to access data in real time when working with clients and determining and renewing eligibility or processing reported changes in household income. Several states—such as Utah, Washington, and Idaho—have developed special tools that help their eligibility workers conduct data matches across a wide range of state and Federal databases, such as Motor Vehicles, State Vital Statistics, the Social Security Administration, Child Support, Unemployment Insurance, state tax records, consumer credit checks, and other commercial databases. These databases help states verify the income and other eligibility factors a household reports, and can do so without asking clients to take time off from work for repeated visits to food stamp offices to provide documents. And with ready access to information to verify clients' statements, caseworkers can take immediate action as needed (without waiting for clients to turn in paper verification to the local office and for that paperwork to make its way to the caseworkers days or even weeks later). In addition, ready access to third-party data can help to detect instances where households may not have reported information accurately. The matches occur nearly instantaneously and help detect both inadvertent mistakes and fraud. But not all states currently use tools such as these.

Similarly, some states pay (with the support of Federal matching funds) a private company, Equifax, for access to employment and wage records. Employers with large numbers of low-wage workers often prefer to have a third party handle government inquiries regarding their employees' wages and hours. State SNAP agencies report that when their case workers are able to easily access income information for applicants and participants, that increases accuracy and reduces paperwork burdens on both participants and employers. The Committee may wish to explore whether access to these private third-party data is something the program can and should provide to all states. The Federal Government, for example, now provides such data to state Medicaid programs through the Federal data hub.

Another interesting data matching option that could increase program accuracy while reducing paperwork is using state wage records to verify the income of SNAP participants and applicants. Currently, a few states, including Texas, are testing this approach via a waiver. This mode of verifying income is not typically used because SNAP requires that applicants verify their income using current records, and state wage data often are a number of months old. As result, state wage records can't be used to definitively determine a child's current income (although states can use it to retroactively test the veracity of client information). Under the waiver, Texas is testing the targeting of this verification method for participants with steady employment and earnings. If it proves accurate, it may represent a way to reduce paperwork burdens for both applicants and state SNAP staff.

Helping states share these tools and innovations with other states—including exploring ways that the Federal Government might establish or procure IT solutions that all states can use to strengthen program integrity, increase efficiencies and improve customer service, instead of requiring each of the 50 states to individually research the terrain—could be considered, given the Federal dollars at stake. The Committee could look into whether there are opportunities to remove barriers to states' adoption of such systems or to incentivize more states to implement them.

V. Conclusion

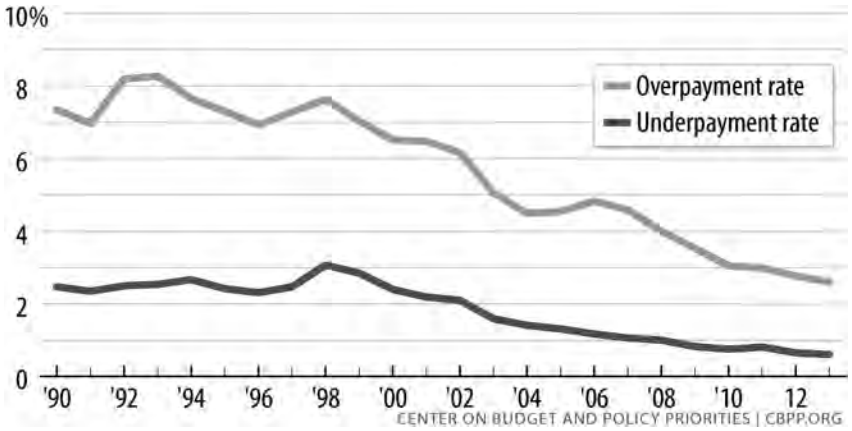
The Agriculture Committee is undertaking a close look at SNAP. I hope the results of this work lead the program to become still more effective.

In so doing, I hope the Committee will keep in mind the accomplishments the program has made and proceed with appropriate caution. The well-being of millions of vulnerable Americans is at stake. I would urge that the Committee adopt the Bowles-Simpson principle of protecting the disadvantaged and avoiding measures that would increase hunger, poverty and hardship in a nation as abundant as ours. Thank you.

POWERPOINT PRESENTATION

SNAP Error Rates at All-Time Low

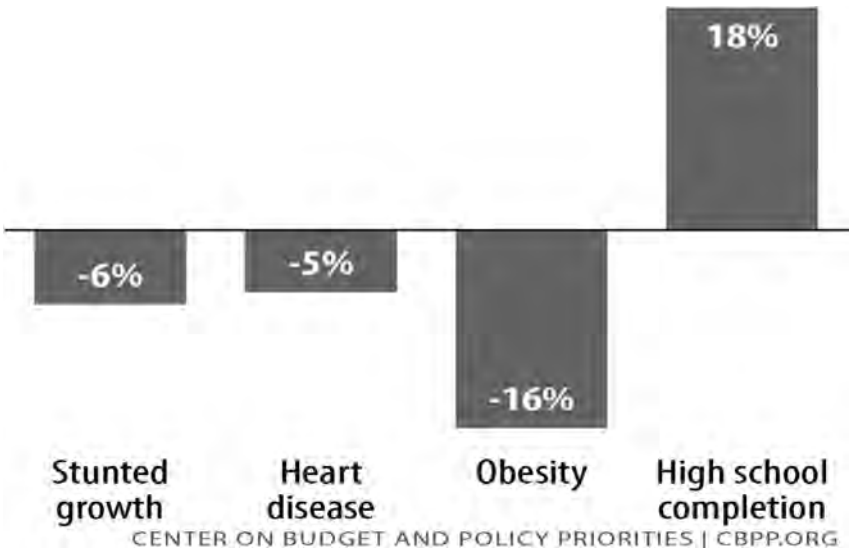
Fiscal Years 1990–2013



Source: Quality Control Branch, Food and Nutrition Service.

Children With Access To SNAP Fare Better Years Later

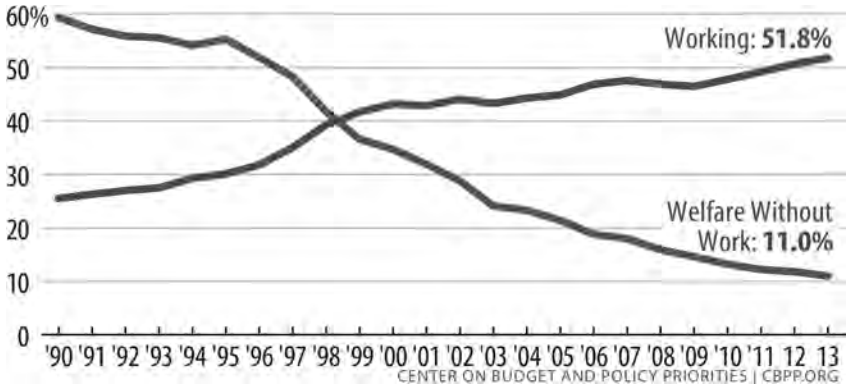
Percentage-point change in outcomes for adults who received SNAP as children, compared to adults who did not receive SNAP as children



Source: Hoynes, Schanzenbach, and Almond, "Long Run Impacts of Childhood Access to the Safety Net," National Bureau of Economic Research, November 2012.

Working Households on the Rise

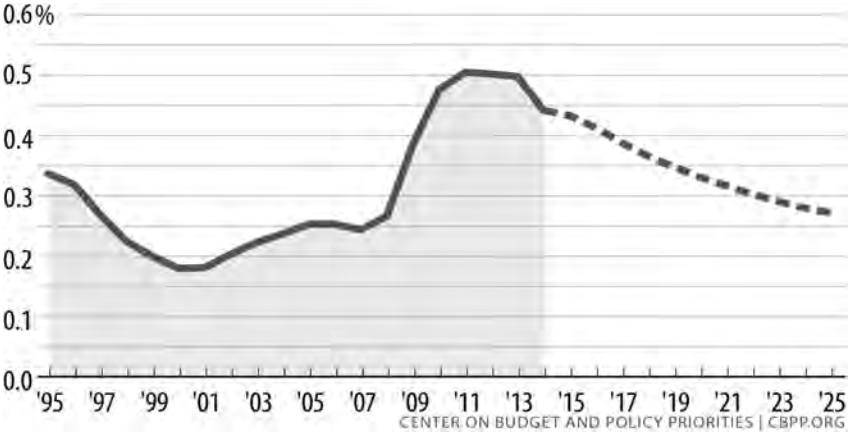
Share of SNAP households with children by type of income



Source: CBPP Tabulations of SNAP Quality Control Data.

SNAP Costs Starting To Fall, Projected To Fall Further

Spending as a share of gross domestic product



Sources: Office of Management and Budget, Bureau of Economic Analysis, and Congressional Budget Office January 2015 baseline.

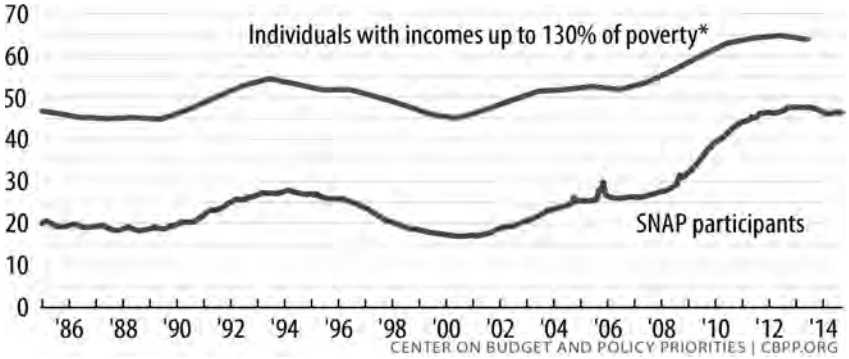
Nearly All Households That Worked Before Receiving SNAP Continued Working

Work participation in year after starting to receive SNAP among households that worked in prior year

Source: CBPP calculations based on 2004 SIPP Panel data.

SNAP Caseloads Closely Track Changes in Number of Poor and Near-Poor

In millions, through September 2014



*Poverty numbers are annual estimates and not yet available after 2013. Spikes in SNAP participants are from disaster benefits (*i.e.,* after hurricanes).

Sources: Department of Agriculture (SNAP program participants); Census Bureau (annual estimates of individuals below 130% of poverty).

The CHAIRMAN. Well, thank you, gentlemen. I appreciate you being here again.

The chair would remind Members that they will be recognized for questioning in order of seniority for Members who were at the start of the hearing. After that, Members will be recognized in order of arrival. And I appreciate everybody's understanding for that.

I now recognize myself for 5 minutes.

Mr. Besharov, can you help me better understand how an anti-hunger program from the 1960's became the primary income support program in the United States today? From your description of the past, it appears that SNAP has undergone incremental changes in order to get to this current position.

Mr. BESHAROV. Yes, sir, I can, and part of it is laid out in my——

The CHAIRMAN. Your microphone is not on, I don't think.

Mr. BESHAROV. Excuse me. Yes, I can, and part of it is laid out in my testimony, and part of it was reflected in what Bob said as well.

In the 1940s to the 1970s, African-Americans were systematically excluded from welfare in large parts of the country. Partly, this was through the unfit home rule, the man-in-the-household rules, and so forth. The result was, as we became a less agrarian society, the result was people left the land and hunger and starvation grew. The response from the Federal Government was to step in and to provide a feeding program, and it built on the original food stamp program which we had created and then abandoned in the 1930's. That original program, designed as it was to get around the rules in the southern states, did a number of things that now come back to haunt us. One was, it had a separate measure of income from welfare, AFDC in those days. The result was every dollar less in welfare generated between 30¢ and 40¢ more in food stamps.

I was in New York State at the time. We had Nelson Rockefeller as our governor, a relatively liberal Republican. His response to the passage of the universal food stamp program was to recommend a reduction in AFDC payments because the state had to pay 50 percent for them, whereas food stamps would be a 100 percent Federal. So states like New York and California cut back their AFDC programs to rely more on their SNAP or food stamps programs. It was pure arithmetic.

Then came welfare reform, and under welfare reform, the states had a very large incentive to reduce their caseloads. Every dollar they saved, they kept.

I have read it in Bob's testimony, this is a problem in the way TANF was implemented, but totally expected. If you push someone off TANF because of a work requirement, and they can still get food stamps—in those days food stamps—and still get Medicaid, maybe still get housing, you have blunted the work requirement, but you have also created an alternate path to public assistance. And that is why some on the right call the new SNAP program Welfare 2.0, because it has grown to be a very large welfare-like program.

I know this is a lengthy answer. My last part of this is, come the Great Recession, and states were extremely hesitant to put people on TANF, plus a substantial amount of unemployment in the recession was male-dominated. For the first 18 months, the majority of

the people who lost jobs were men. Married men. Those families, often with two earners in their households, wouldn't qualify for TANF anyway, but when a husband's earnings went down, whether or not his wife was also working, if they had two children, there was a tendency for them to be eligible for SNAP. So SNAP went up when the UI benefits ran out. It—this is the interaction that on the left you say, hey, this is terrific, this is exactly what we want. And in Bob's testimony he talks about it as a countercyclical program. It surely is, but we haven't fixed the wrinkles, and the wrinkles are that the result is no real work requirement, serious questions about the fairness of eligibility determinations, and serious questions about what to do in the future.

This is a lengthy answer to say we now have a new welfare program. It is called SNAP. It still fills an important nutritional need for people at the very bottom of the income level, but at higher levels, it is income support and we ought to treat it that way.

The CHAIRMAN. Thank you, gentleman.

The Ranking Member is recognized for 5 minutes.

Mr. PETERSON. Well, thank you, Mr. Chairman.

I think I know the answer to this but I want to get it on the record. I don't know of anybody that designs a system where one entity decides who qualifies and the other entity pays for it; that is a recipe for disaster.

Over the course of the debate on the farm bill, we made the change in LIHEAP, and at the time I had said that I thought when it came down to it, the states would decide to go from paying $1 a year to $20 a year so they could still qualify people. And some of them did but some of them actually didn't.

The question is, if we made a change in SNAP, or if a change was made in SNAP, so that costs above 130 percent of poverty, the state would pay 50 percent, and the Federal would pay 50 percent," what do you think would happen?

Mr. GREENSTEIN. I think there are a couple of parts to the answer. You raised the issue of LIHEAP and there is a remedy, but I don't think the remedy is having states pay 50 percent above 130 percent of poverty.

Mr. PETERSON. I am just wondering what do you think would happen if that——

Mr. GREENSTEIN. Well, different states would make different decisions, and part of the whole essence of this program, going back to President Nixon, was that prior to President Nixon, each state set its own eligibility standards. We had some states eliminating working families when their incomes reached only 50 percent of the poverty line. Other states did it very differently. And there is real importance in having national eligibility standards. For example, it lessens the disparity between low wage areas and high wage areas. That is why SNAP benefits actually are disproportionately greater in rural areas and in southern states.

On the LIHEAP issue, the issue there, in my view, is that LIHEAP is supposed to help families that have significant—low income families that have significant heating bills they otherwise have difficulty affording. And the remedy is within the LIHEAP program, which certainly is under the purview of Congress, not particularly this Committee but your fellow Members, and LIHEAP

could be modified to make clear that it is not to provide benefits to people who don't incur heating costs.

There are a relatively small number of states that are doing what you suggested, but there still are a few, but that could be handled through appropriate targeting of the LIHEAP program. But I would caution on the other side. You know, you have——

Mr. PETERSON. I was just wondering——

Mr. GREENSTEIN. Well, let me—I want to give you a key example.

Yes. Only one in six low income families that is eligible for childcare assistance gets it because we have limited funding in the programs for childcare. So we have two families; one of them has income at 110 percent of the poverty line and they get a childcare subsidy. The other has income at 138 percent of the poverty line and doesn't get a childcare subsidy, they pay out-of-pocket so it can work. The second family may actually end up with less money for food than the first family. So the reason that some states have used categorical eligibility, when you look at who they have helped through categorical eligibility, 90 percent of the families are working families. The typical focus of those families is they pay more than ½ their income for either childcare or rent, and do not get a childcare subsidy and do not get housing assistance. So we need to be careful in how we calibrate those eligibility standards.

Mr. PETERSON. Professor?

Mr. BESHAROV. If you believe that that business firm, if it could find people to hire, would strengthen the local economy, and I do, then you can understand why governors, conservative, liberal, Republicans, Democrats, when they look at their political imperative, it is to get their state economy "growing again."

I think the answer to your question, sir, is that, subject to the lessons from TANF implementation, the states would jump at the opportunity to try to raise the labor force participation of people on SNAP assistance, and they would do it not just by having a different amount, they would do it through job training, they would do it through a job search, and as I say, subject to the lessons of TANF, which we should take to heart.

Mr. PETERSON. So you believe they would reduce the——

Mr. BESHAROV. I was at a meeting of 20 state secretaries, and I said why do you want to reform food stamps? You don't pay for it. And they said we worry about the well-being of our states. They would jump at the chance. They would take the offer—many states would take the offer and experiment with it. Yes, sir.

Mr. PETERSON. Thank you. Thank you Mr. Chairman.

The CHAIRMAN. The gentleman's time has expired.

Mr. Thompson from Pennsylvania, 5 minutes.

Mr. THOMPSON. Thank you, Mr. Chairman. Thank you, gentlemen, for your testimony, it is very helpful, very insightful on this important topic.

I certainly like the concept of taking programs like SNAP and taking them from what we have traditionally called, and some have categorized them different ways, taking the programs but making them into workforce development programs, which come with more hope and opportunity.

And so my question for both of you, do we even know what works in terms of solid evidence-based research to help folks who are—find themselves, families in low income situations, low income work, and help them work and earn more and leave poverty. And more specifically, does the current SNAP program do that?

Mr. BESHAROV. Let me start, but I will try to be brief so that Bob has some time.

The history of job training in this country is very disappointing. In match-up after match-up under TANF and before that, AFDC, job training *versus* job search never did better. That is to say, people who were asked to look for a job immediately tended to get a job much sooner, although there is an argument about whether they got better jobs or not than people who received job training.

I think partly that is because the job training programs weren't given a full opportunity to do what they needed to do. The last Congress reauthorized the Workforce Investment Act, now called Workforce Investment and Opportunity Act, and many people have a great deal of hope in that. There are also now very promising programs that try to direct unemployed or underemployed people into jobs that exist. The left and right seem to think that those kinds of programs hold great promise, and the answer is that if we took the job training and education more seriously in SNAP, we would see some progress.

Mr. GREENSTEIN. I think there are several aspects to this. First, when we talk about helping people work, we want to think not only about current adults who are unemployed, but what is the trajectory for poor children. Are they going to grow up as part of the workforce or not.

Now, here there is growing evidence that in families that are very poor, children's brains are already behind by age 2, farther by age 5, before they start school, and that benefits such as SNAP help reduce that. So the evidence is pretty strong now that particularly for young children, having access to SNAP benefits increases the likelihood that they will have earnings in adulthood.

In terms of the current adults, Doug mentioned that there isn't really a work requirement in SNAP. I would really have to disagree with that. As we noted, 3 months out of 3 years for single individuals. For families with kids, if they are sanctioned for not meeting a work requirement in TANF, the food stamp law, the 1996 Welfare Law, explicitly says that states can then cut their SNAP benefits as well, and most states do. The data show we have 70,000 to 100,000 households on the program, where one or more members of the household have had their benefits taken away for not meeting a work requirement in another program. And that doesn't count the additional tens of thousands of households who have been removed from SNAP altogether for not meeting a requirement in another program.

But the real issue, as you have said, is what do we do to help these people work. As Doug indicated, old research suggested that for those people who were the most employable, pushing them to search for a job can help. The difficulty is that many people on SNAP aren't that employable right now. They lack even a high school diploma in some cases. Generally, they lack more than a high school education. And old-style job training programs often

weren't as effective. What we are now learning is that if we can do more vocational training, more training that is really tied to what the employers in the local area really need, we can get some more success. A problem, and this is a recommendation I would like to make for this Committee, a problem is that up until now, our main job training system, the Workforce Investment Act System, didn't serve SNAP recipients much at all. It served people who already were more skilled. Then it could show higher rates of placement. And local workforce boards didn't like serving most SNAP participants because they had too few skills to begin with.

On a bipartisan basis, Congress reauthorized the Workforce Investment Act last year, and said it should orient towards more disadvantaged workers with fewer skills, and it gave local boards the option to coordinate more with SNAP.

So I would really urge this Committee to work with the Committee, I guess it is Education and the Workforce, and to really do oversight. We really need this to become a reality. We have some billions of dollars in the workforce training system, and it was largely bypassing SNAP recipients. We have an opportunity with these reforms to have it start serving SNAP recipients and give them more job training, but we really need to make sure that gets implemented that way on the ground.

The CHAIRMAN. The gentleman's time has expired.

Mr. Scott for 5 minutes.

Mr. DAVID SCOTT of Georgia. Thank you, Mr. Chairman.

I would like to first of all paint a picture of SNAP so that we all are operating with a clear and jaundiced eye. First of all, these are the facts. Thirty-seven percent of all food stamp recipients are white people. Twenty-three percent are African-American. Ten percent are Hispanic. And this is according to the U.S. Department of Agriculture. The Census data indicate that 900,000 veterans receive food stamps each month, and this figure is understated because the Census data do not consider homeless veterans receiving SNAP benefits.

I want to paint the picture as clearly as we can. Feed Our Vets, a nonprofit group that establishes food pantries for veterans, has estimated that nearly three million veterans and their families don't get enough food to eat each month. And finally, 45.3 percent of all of those who are on SNAP are children. That is 17 million children in the United States; one out of every five lived in households in this country that are food-insecure.

And so I want to ask you all a simple question. First of all, in view of the realistic image of the food problem, in the wealthiest, most powerful country in the world, why is this? And as we talk about the problems, we need to put a direct line on how we get to some solutions to address the need, the need. So if each of you might just tell me what you feel is the number one abuse, because in a hearing, we have to get to that as well. I want your feelings on that. Where do you feel there is any abuse? Where would that be? What is the number one abuse to the food stamp program? Mr. Greenstein.

Mr. GREENSTEIN. I think you are suggesting I go first, which I am happy to do.

Mr. BESHAROV. We are just taking turns.

Mr. GREENSTEIN. I would note, Mr. Scott, your figure of 900,000 veterans getting assistance is the figure for any given month?

Mr. DAVID SCOTT of Georgia. Yes.

Mr. GREENSTEIN. And over the course of a year, 1.7 million veterans get SNAP assistance at some point over the course of the year.

Mr. DAVID SCOTT of Georgia. And that is understated because the Census data does not identify the homeless vets that are growing.

Mr. GREENSTEIN. Yes. Yes, the homeless are not fully picked up, you are absolutely right, in the Census data.

In terms of abuse, this is not atypical of other programs. We have some people in great need who, due to various issues in the program, complexities, whatever, still don't get served. And on the other side, even though the error rate is very, very low, it could be brought lower. In section 4 of my testimony, I won't go into the technical issues here, we have some proposals for how the Federal Government could help states make greater use of wage matching as information technology advances. And this could have a double benefit. It could actually help both of the things I just mentioned. It could lower errors by enabling case workers in real time, as they are doing eligibility determination, to match into more income data and find if there is something questionable in what the recipient reported. By the same token, it would relieve recipients of having to go back and forth, and back and forth, and keep bringing more documents, and keep coming back to the office, sometimes taking time off from work where they lose wages to do it, because the greater wage matching would provide income information that they wouldn't need to ask people to bring the documents for. So it could help both ease a barrier to participation, particularly for some of the working poor, we still have a lot of eligible working poor families that don't get SNAP, and it could reduce the error rate at the same time.

The CHAIRMAN. The gentleman's time has expired.

Mr. Gibbs for 5 minutes.

Mr. GIBBS. Thank you, Mr. Chairman.

Professor Besharov, I have been studying your *Figure 1* chart and looking at that, and you had made the point about SNAP has become an income support, and lack of coordination between different agencies. I see in the Senate Budget Committee they released a CRS memo that there are 80 welfare programs run by numerous different agencies. So I look at your *Figure 1* chart, and you talk about cost shifting, obviously, there is probably a lack of coordination. I think you said that. And then I am also thinking, I see that UI and the unemployed persons dropped. TANF was dropped a little bit but it was kind of flat. And SNAP, in your chart, the numbers increased significantly.

How much—because of low income jobs, people got work but this economy has a lot of hard-working people out there haven't, they have been forced to part-time jobs and have low income jobs, how much of that would be a factor do you think in this. And then my follow-up question on that, because I don't really know, when a person does get a job and they go off unemployment stuff, can food

stamps be prorated then, do they get different amounts, how much of an adjustment would there be?

Mr. BESHAROV. As Bob said, one of the problems about understanding the food stamp program is the rules get pretty complicated. One thing about when people have more income, what becomes implicated is the certification rule, which is when a person has to report an increase in earnings and so forth. And if we had more time, I would go into why I think it is a mistake to let people stay on without reporting increases in income. That is the rule. It was established to save state efforts and expenses, while the Feds paid for benefits. But to go right to your question, no one really knows what leads a 50 year old person, male or female, not to go back to work, not to look for work. And people who try to parse that out and say, "Well, it is because there aren't enough jobs or maybe it is because he or she wants to take care of a relative." I don't know what the percentages are. To answer the question about what is the biggest abuse, and it is related to your question, it is we don't have a system in place for SNAP that takes into account the human vicissitudes of what happens when you give me money, and in return, all I have to do is tell you I am low income. That is a mistake. I think that is a mistake whether it is SNAP, TANF, disability or whatever.

Mr. GIBBS. So you are saying the certification process is very flawed.

Mr. BESHAROV. It is flawed because we saved state governments money by doing it less frequently. Part of Bob's presentation, the reason why I think the—and Bob may disagree, one reason why we have more accurate determinations is we have made compliance easier. We have lowered the bar. I think that is part of it.

But I do think the largest problem here is engaging this program in the life course needs of the recipients, and not just treating it as a program that deals with hunger. That is important, but that is in the past.

Mr. GREENSTEIN. Well, excuse me. As Doug said, I do disagree with his last comment. So what happened around 2000? On a bipartisan basis, Congress and a number of analysts looked at the program and found that the share of eligible working poor families who were participating was very low. And when they looked further, what they found was that states were so concerned about being charged with an error, if somebody worked a couple of hours of overtime and they didn't have it immediately in the data, that states were requiring working poor families, not welfare families but working poor families, to come back into the office every 90 days to provide all of their documents. That usually took two visits, an average of 5 hours. Most people in low wage jobs, your employer doesn't pay you while you take 5 hours off from work. There was really a sense that if we were serious about work, and if people get paid low wages that still leave them in poverty, then we need to have a system that enables them to use the program. And the solution, which was a bipartisan solution every bit of the way, was that we would require people, when their earnings went up and put them over the income limit, to immediately report, but that we wouldn't bring them back every 90 days to go through every day that was lost to sick leave, or every hour of overtime. And that was

really the purpose of the change in the program, and it was a positive change.

Mr. GIBBS. Okay. Thank you, Mr. Chairman.

The CHAIRMAN. The gentleman's time has expired.

Ms. Fudge for 5 minutes.

Ms. FUDGE. Thank you very much, Mr. Chairman. And thank you both for your testimony today.

Mr. Greenstein, one of the things that I must agree with you on is, I sit on the Education and the Workforce Committee, as well, and you are absolutely correct that the WIOA Bill was written to discourage boards from actually trying to place those who are hard to place, whether they are low skilled or low income, or live in high poverty areas or have limited education. That is the way the bill was written, because the way that the rating process goes, they rate them by how many people they place. So clearly, they try to place those people who are easy to place. So I just wanted to——

Mr. GREENSTEIN. Right.

Ms. FUDGE.—reaffirm that.

My first question is, I hear a lot that, since the unemployment rate has gone down significantly, why has SNAP not gone down in a similar rate, and why is there a lag between those two things?

Mr. GREENSTEIN. So CBO has noted for a number of years that when you come out of a recession, there normally is a significant lag of several years between when unemployment comes down and when poverty comes down, and accordingly, when SNAP comes down. But in this recovery, this is particularly true for several reasons. The group of the unemployed who are most likely to be eligible and participate in SNAP are the long-term unemployed; people who have been out of work more than 6 months, still looking for a job, exhaust their assets.

There are a couple of really stunning statistics here. In every recession from World War II through 2007, there never were more than 26 percent of the unemployed who were long-term unemployed. Today, 31 percent of the unemployed are long-term unemployed. They are more likely to be eligible. Here is an even more amazing statistic. You will think this can't be right when I first say it. The number of unemployed who are not receiving unemployment benefits is larger today than at the bottom of the recession when the unemployment rate was ten percent. At that point in time, we had about 14 million unemployed; nine million received unemployment benefits, five million didn't. Today we have about nine million unemployed, down from 14, but unemployment benefits have shrunk and we have 6.9 million people, nearly two million more than at the bottom of the recession, not getting unemployment benefits. They have a higher rate of receipt.

We also have the fact that wages have eroded, particularly for male workers in the bottom of the wage scale. And so a number of people who have left unemployment for low wage jobs, maybe lower than they had before the recession, they are no longer unemployed, but they are still eligible for SNAP because their wages are low. So all of these are factors, and it is part of the reason that Ben Bernanke has said that the unemployment rate right now is not a very good measure by itself of the economy. It makes it look like we have recovered more than we really have.

Mr. BESHAROV. If I could just add 10 seconds to that. And that is——

Ms. FUDGE. All right, 10 seconds.

Mr. BESHAROV. Yes. That is why this program is just like unemployment. We ought to treat it that way.

Ms. FUDGE. Thank you. Mr. Greenstein, another question. I think that people say they are discouraged from working because they receive SNAP. Can you tell us how much people get on SNAP? The amount is so small, it could not discourage anybody from wanting to work. What are those numbers?

Mr. GREENSTEIN. Well, the average benefit is $1.42 per person, per meal. An Institute of Medicine study has raised questions actually about whether it is adequate. Many people run out of food stamp benefits, SNAP benefits, before the end of the month. But I also want to note that there has been academic research on this question of whether SNAP discourages people from working. I had mentioned in my oral testimony that the leading academic research in the field finds there isn't a strong effect there. There also was testimony before the Senate Finance Committee a year or 2 ago—year or so ago from one of the nation's leading conservative economists, Robert Hall, who is at Stanford and at the Hoover Institution, and he said the data do not seem to support the view that the social safety net is discouraging labor force participation. Participation by those in low income families has generally risen, not fallen. The group for whom we have the biggest concern about the decline in labor force participation are low income, low skilled, single men, and they are the very people for whom we have the 3 month out of 3 rule—3 month out of 3 year rule in the SNAP program.

Ms. FUDGE. Thank you very much.

I yield back, Mr. Chairman.

The CHAIRMAN. The gentlelady yields back her time.

Mr. Benishek for 5 minutes.

Mr. BENISHEK. Thank you, Mr. Chairman.

I have two different answers for the—and I am listening to these questions, and Mr. Besharov and Mr. Greenstein seem to contradict each other about the requirement to work. So could you explain to me, is there a wavier—I thought there was a waiver for the requirement to work in place now. Mr. Besharov, can you give me a short answer to that, and going back to Mr.——

Mr. BESHAROV. I think it is 30 states that have a waiver for the work requirement, 3-0. Bob? And that is for ABAWDs, and the requirement or——

Mr. BENISHEK. So those 30 states have no requirement to work?

Mr. BESHAROV. That is correct.

Mr. BENISHEK. So then, Mr. Greenstein, you are telling us that is not the case; that there is very strict requirements to work. That is what your testimony was, it seems to me.

Mr. GREENSTEIN. Let me explain. I think this is one of the most misunderstood parts of SNAP. In 1996, this requirement——

Mr. BENISHEK. So what I want to know, is Mr. Besharov not telling me the truth? There is not a waiver in place, that states do not require the work benefit?

Mr. GREENSTEIN. Well, as I explained in my testimony, there are waivers that have resulted from the high unemployment, and they are gradually expiring.

Mr. BENISHEK. But are there 30 states that require waivers then for the——

Mr. GREENSTEIN. I don't recall. It is about 30. It might be——

Mr. BENISHEK. So then 30 states have no work requirement, is that accurate?

Mr. GREENSTEIN. Not—no, that is not correct.

Mr. BENISHEK. Well, then how is it—what is it—tell me exactly what the waiver means then if it is not a work requirement.

Mr. GREENSTEIN. Well——

Mr. BENISHEK. I am just trying to figure this out myself.

Mr. GREENSTEIN. First off, the key point is the waiver is only with relationship to these single adults——

Mr. BENISHEK. Right.

Mr. GREENSTEIN.—not raising children. Number 2——

Mr. BENISHEK. Right.

Mr. GREENSTEIN.—these are not permanent waivers. They are time-limited waivers and they are expiring. And by 2016, very few states, single digits, 1, 2, 3, will have any potential to have statewide waivers, let——

Mr. BENISHEK. All right, I appreciate it.

Mr. GREENSTEIN. That is why one million people are going to be removed from the program as the waivers expire and the work requirement is——

Mr. BENISHEK. Okay.

Mr. GREENSTEIN.—reinstated.

Mr. BENISHEK. All right, thank you. I appreciate that clarification. You agree with that clarification, Mr. Besharov?

Mr. BESHAROV. Yes, except I am not sure whether the waivers won't be extended under whatever conditions.

Mr. BENISHEK. I see. Okay. Well, then I want to go on——

Mr. GREENSTEIN. They can't be——

Mr. BENISHEK. I want to go on though to another question, and that was the duplication—and I am just trying to figure this out, 80 separate programs run by a dozen agencies, according to the CRS, from the Senate Budget Committee, how do we better coordinate the aid to people that need aid? Mr. Besharov, can you——

Mr. BESHAROV. Well——

Mr. BENISHEK.—give me more of your time?

Mr. BESHAROV.—there—I am your guest here. Let me say that part of the problem is on this Hill.

Mr. BENISHEK. Well, how do we do it?

Mr. BESHAROV. Yes. There are a number of committees that jealously guard their jurisdiction. I sat in on a Housing hearing once where they wanted to increase the size of a Head Start Program, but instead of putting the money in the Head Start budget, they created a separate program under housing for Head Start.

Part of this happens through the committee process. There have been attempts since Elliot Richardson was Secretary of HHS, to integrate these programs. Those on the left fear, based on experience, that if you combine them into a block grant that total spending will go down. Those on the right perhaps want the total spending to go

down, but they argue that putting all that money in one program creates efficiencies that more than make up for whatever potential loss all those separate programs have. The fact is there is a tremendous amount of waste in these programs. They often work at counter purposes.

Mr. BENISHEK. Mr. Greenstein, do you have any comment? How do we make it——

Mr. GREENSTEIN. Well——

Mr. BENISHEK. How do we make it more efficient? How do we eliminate 80 different programs and try to achieve a better result?

Mr. GREENSTEIN. Well, a lot of the 80 programs are very small programs that only serve very, very small percentages of low income families. When you talk about——

Mr. BENISHEK. Do you think we should eliminate those programs then?

Mr. GREENSTEIN. Well, they may be very important for certain very particular groups; children with certain kinds of very serious service problems that need a particular service. There are a much smaller number of large programs. I think states are making progress using information technology and coordinating them better, but we can do more than that. For example, in the field of Medicaid and so forth, HHS has set up this Federal data hub that bring together lots of databases for wage matching purposes to improve accuracy, but a lot of states don't have ready access to it for SNAP. They should. That was one of the recommendations in my testimony is to better integrate things like access to databases for——

Mr. BENISHEK. All right.

Mr. GREENSTEIN.—wage matching of——

Mr. BENISHEK. I am out of time, Mr. Greenstein. Thank you.

The CHAIRMAN. The gentleman's time has expired.

Mr. BENISHEK. Thank you.

The CHAIRMAN. Mr. McGovern, 5 minutes.

Mr. MCGOVERN. Thank you, Mr. Chairman. Thank you, Mr. Besharov and Mr. Greenstein, for testifying today.

Today's hearing is described as the start of a top-to-bottom review of SNAP, and I am certainly a proponent of rigorous oversight of all programs, but I have to say at the beginning, I find it a little bit curious that we seem to be singling out SNAP for review, especially at a time when the most recent CBO projections show that SNAP caseloads and spending is moving in a downward direction, and CBO also says that payments to farmers could be nearly $5 billion more than was originally expected in the farm bill. I don't know why we are not beginning with the top-to-bottom review of that. But, I appreciate you being here, and I hope, if we are going to do a top-to-bottom review, that we also at some point have a panel of beneficiaries, people who are on the program, who can testify firsthand what works and what doesn't work, and maybe we should also have someone from the FNS here as well because they administer the program. I hope that this is not going to be an exercise in another attack against poor people because I fear I have seen this movie before, and I didn't like it the first time.

Mr. Besharov, in your written testimony, you spent a good deal of time questioning the idea whether food insecurity is a real prob-

lem in this country. Let me assure you it is. I have been to public schools in my district where kids fear snow days because they won't be fed if they go home. I have been to hospitals and talked to doctors who have treated senior citizens who don't have enough money for their prescriptions and their food, and take their prescriptions on an empty stomach and end up in the emergency room. I have been to hospitals when I have been told by doctors or pediatricians that kids end up being admitted for what we would call a common cold because their nutritional intake is so poor that their immune system is compromised. So I view this program as essential to making sure that people don't go hungry, and good nutrition is also essential for people to have a healthy life.

Two-thirds of SNAP recipients are not expected to work. They are children, they are senior citizens, and they are the disabled. I don't know how tougher work requirements help them. That is the majority of people on the program.

And I would like to ask you both about eligibility determinations. It is tough to qualify for this program. This is not a slam-dunk. If I want it, it is pretty tough. And the other issue is the fact—it was raised by Mr. Gibbs. The discussion really needs to be on this cliff that people hit when people go back into the workforce and all of a sudden they lose their daycare benefits, and their food stamp allocation gets reduced, and then they find themselves in the same predicament that they were before; empty shelves. And so, yes, the economy is improving, but we are leaving behind a lot of low and middle income workers.

And let me just say this about the waivers: Republican governors as well as Democratic governors did that, and they did it not because they were trying to cheat the system, but they did it because they actually realize that without the waiver, that there would be many people who they represent who would be worse off, who would go hungry.

And finally, Mr. Greenstein, you mentioned this in your testimony. We have had commissions in recent years, the Bowles-Simpson Commission, it was a bipartisan commission, and then we had a Bipartisan Policy Center taskforce chaired by Pete Domenici and Alice Rivlin. When I think of Alan Simpson and Pete Domenici, I don't necessarily think of bleeding hearts, but in their recommendations they recommend we don't touch this program.

So I have said a few things here, but I am happy to have your comment.

Mr. BESHAROV. Well, let me just make it quick because I know Bob wants to answer about that.

Mr. MCGOVERN. All right.

Mr. BESHAROV. If this is a feeding program, and if we are worried about food insecurity, instead of letting the eligibility and the income of the average recipient creep up, we would do something to reduce the upward creep and increase the benefits at the bottom. If it is $1.20 a meal, and that is not enough, there are two ways to fix that. One is raise the cost for everyone in the program. The second is——

Mr. MCGOVERN. I am happy to work with you to increase the benefit because it is inadequate.

Mr. BESHAROV. I will see you any time you want.

Mr. GREENSTEIN. Something like only one percent of benefits go to households with gross incomes over about 130 percent of poverty.

Mr. MCGOVERN. Right.

Mr. GREENSTEIN. But I want to get back to the work requirement issue because there has been a lot of discussion of it. It should be understood that the 3 month provision we are all talking about as a work requirement really is not a work requirement. It is a time limit, 3 months out of 3 years.

Mr. MCGOVERN. Right.

Mr. GREENSTEIN. If it were a work requirement, we would say you have to search for a job. If you don't, you are out. Here is a workfare slot. If you don't take it, you are out.

The CHAIRMAN. The gentleman's time has expired.

Rodney Davis for 5 minutes.

Mr. DAVIS. Thank you, Mr. Chairman. And thank you to my colleagues for beginning to review and address this very important issue, and it is good to point out that 80 percent of the farm bill that we just reauthorized is the SNAP program. So I want to commend Chairman Conaway for starting with a review of programs in the farm bill that make up 80 percent of it. I think it is a great start, and I am glad this Committee is working in a bipartisan way to do this today.

I know there has been a lot of discussion about the waiver process, and Mr. Benishek, my colleague from Michigan, clarified some of these issues, and I would like to actually begin by expanding on some of those questions.

Mr. Greenstein, are all the waivers you are talking about, do they expire at the same time?

Mr. GREENSTEIN. No, but I think a lot of them—I think the lion's share of them, if I remember correctly, and if this is incorrect, I'll get back to your office with more information. I think the lion's share of them expire at the end of 2015. Some expire earlier. But I do want to be very clear that the waiver is a waiver of the 3 months and you are out rule. When the rule was established on the House floor in 1996, the author of it said here is what we are saying. If you can't find a job in 3 months, we give you a workfare slot, and if you take it your benefits continue. But 45 of the 50 states never created the workfare slot. So what it has turned into is if you can't find a job on your own in 3 months, you are out. I think that people should be offered a job slot. I think they should be allowed to search for a job, and if they show they have been diligently searching, they shouldn't be out after 3 months. So what some of the states with waivers have done is they have waived the 3 month limit, but they have required these people to search for jobs anyway.

So if one is looking at this whole area, it may be worth looking at how the entire provision works, and I would recommend converting it from a time limit into a true work requirement.

Mr. DAVIS. Okay, thank you very much.

And, Mr. Besharov, Mr. Greenstein mentioned that he expected maybe three states to possibly still reapply, and you mentioned in your comments to Mr. Benishek that you would expect some of these states whose waivers may be expiring, at whatever time they

may expire, may ask the Federal Government and the Administration once again to approve another waiver. What metrics need to be met for the Administration to actually approve these waivers?

Mr. BESHAROV. That is trick question, sir.

Mr. DAVIS. Well, thank you. I didn't know that.

Mr. BESHAROV. Because many people think that the Administration doesn't need a metric to issue a waiver, so I don't think I want to go there. I just want to make one point in relation to this work requirement, and what happened in 1996. The job slots would have been 50 percent state expenditure, right? The job slots would be—and it is an administrative cost. So the offer was: is after 3 months, if you put a SNAP recipient into a job, we will provide 50 percent of the cost, but if you leave that recipient either on SNAP or he or she goes off assistance entirely, it is not a cost to you. So to me, the issue here to implement this is not the details of these provisions, but to get the incentives for the states right. If we want the states to provide nutritional education, if we want them to provide job training, then the formula has to incentivize them to do that in a situation where, right now, 100 percent of program costs are not state costs, they are Federal costs, and that is a giant incentive to look for any reason to either keep people on SNAP, or get them off and provide no services to them.

Mr. GREENSTEIN. Let me clarify. There are very detailed Federal rules and metrics on what does and doesn't qualify for a waiver. They were not set by the Obama Administration, they have been the same rules that were in place under the George W. Bush Administration.

Mr. DAVIS. So it wasn't a trick question.

Mr. GREENSTEIN. And I also want to clarify that when I said only maybe three states would meet them, that is on a statewide basis. There will continue to be individual areas, there could be Indian reservations or others where unemployment rates might still be 10 or 15 percent, isolated areas, even after the economy is better. So some individual localities, states could still get a waiver for, but in terms of the statewide waivers that they have had in recent years, except for few, if any, states, those will end.

Mr. DAVIS. Well, I see that my time has expired, and my next question I am not going to be able to ask until the next round——

The CHAIRMAN. The gentleman's——

Mr. DAVIS.—so thank you.

The CHAIRMAN.—time has expired.

Ms. DelBene for 5 minutes.

Ms. DELBENE. Thank you, Mr. Chairman. And thanks to both of our witnesses for being with us today so we can talk about this very, very important issue and program.

Mr. Greenstein, you mentioned in your testimony that we had in the farm bill an employment and training pilot program combined with our Supplemental Nutrition Assistance Program, that we call SNAP Employment and Training. This is a pilot that I introduced based on some work that we have done in Washington State on basic food employment and training that has been a very successful program in our state. In one study, less than ½ of the participants remained on government assistance 2 years after starting the program. We have 60 percent of those enrolled in the program were

able to find employment afterwards, and if we are talking about helping people get back on their feet, this is a key goal.

I wondered if you can talk a little bit more about how programs like this might be able to help save money in the long run by helping people get back to self-sufficiency, and also make sure that those enrolled in nutrition programs are given opportunities as well to get back into the workforce, or to seek other job opportunities that help them to take care of themselves and their families.

Mr. GREENSTEIN. Yes, I think these demonstration projects are quite important. We have had mixed records over the years in terms of other kinds of employment-related programs. I think as one of your colleagues noted, I think Congresswoman Fudge, that too often training programs out across the country, not SNAP ones but others, have focused on the people who already had the most job experience and the most skills, and were the easiest to place. Often they were people who would have found jobs on their own anyway, even without a training program, but the training program then got to check the box that someone went through their program and got into a slot. And what we really need to do better about is providing the skills for the people who have the least skills and the least education to enable them to get in and stay in the labor market, and a lot of the people who are on SNAP who are unemployed fall into that category.

It is not as though we know here are the two or three cookie cutter things to do. So the purpose of these demonstration projects is to test a wide variety of proposals, and my understanding is states have submitted——

Ms. DELBENE. Yes, in fact, we had the Secretary of Agriculture here and he said that the beginning of March, we would be hearing on some of the—on what their decision was——

Mr. GREENSTEIN.—a wide variety of proposals.

Ms. DELBENE.—on the proposal.

Mr. GREENSTEIN. Yes. My understanding is they are about to announce very shortly the pilots, and I had one conversation with Secretary Vilsack a month or 2 ago in which I said that my recommendation was pick an array of projects.

Ms. DELBENE. Yes.

Mr. GREENSTEIN. Pick some from very conservative states, not as conservative, do a range so we can learn, test a variety of things, and he said back to me that that was exactly what he planned to do.

Ms. DELBENE. That is great. I want to get back to an issue we have been talking about, a few folks have brought up, and I know that you wrote a recent paper highlighting that one million people will be coming off of SNAP by the end of 2016 due to fewer states being eligible for waivers, and more individuals being subject to the time limit. As you know, Congress passed a provision that requires those who can work to find a job, or enroll in a state training program or workforce program, in order to receive more than 3 months of SNAP benefits. Unfortunately, Congress didn't require the states to offer an opportunity, as we have talked about, to participate in a job training or workfare or workfare program. Washington State is eligible for, and is currently using, the statewide waiver for Fiscal Year 2015. I am an original cosponsor of a piece of legislation

called the SNAP Work Opportunity Act, and it was introduced this week. This bill would help prevent those one million Americans from losing eligibility by only letting the work requirement apply to those actually offered a job training or workfare opportunity. And I wanted to know what you think of a piece of legislation like that in terms of helping us address this issue, and making sure that we really focus on our goal, which is helping people get back in the workforce.

Mr. BESHAROV. I think legislation like that or of its ilk is extremely important because it does reflect the nature of the caseload now, but I want to emphasize what I said before because the states were ready before the SNAP pilots. They were ready to accept the requirement to do things if they got financial benefit.

Ms. DELBENE. Yes, I want to let Mr. Greenstein also respond.

The CHAIRMAN. Well, the gentlelady's time has expired, and to be respectful for the other Members, there will be a second round if you want to——

Ms. DELBENE. Thank you.

The CHAIRMAN.—do that. Mr. Crawford for 5 minutes.

Mr. CRAWFORD. Thank you, Mr. Chairman. Gentlemen, I appreciate you being here this morning.

And, Mr. Besharov, if you would, I want to talk about what success looks like. What does it mean for a program to work? Are we talking about what is the proper definition of a *program working?* Are we talking about short run financial improvement of a situation for a recipient, or are we taking a longer view, are we looking at the ability of an individual to help themselves over the long-term, or is it something else?

Mr. BESHAROV. I think mostly the latter. My answer would be as follows, and I want to try to be brief so that Bob can say something as well if he wants. My answer would have been different 10 years ago than it is today. Ten years ago, the American economy was a situation in which unemployment spells tended to be short, people tended to, if they lost their job, go out and find a job. As Bob mentioned, as my testimony mentions, we have something like 30 percent of the unemployed now have been unemployed for more than 6 months. We are facing international competition where our low skilled workers, except for the ones in jobs that can't be moved abroad, are losing income. So suddenly, our safety net programs are being asked to do much more than they used to do.

So I would say that a successful safety net program, or a successful SNAP program balances the need to provide long-term support for those who are going to be left behind, with a friendly, helpful, tougher nudge into the labor force. So the two have to go together. Please don't hear me saying benefits should stop, that nothing should happen. But the other side of that is, as benefits continue, we have to nudge people, we have to prepare them for the labor force.

A successful program, to me, does both of those things.

Mr. GREENSTEIN. If I could add, as my testimony indicated, SNAP has become much, much, much less than it was, say, 20 years ago of a wealth supplement program. Doesn't really do much of that anymore. And much more of a work and wage supplement program. As Doug just mentioned, international competition, other

factors, wages have eroded for low skill jobs. If you look at the data, something like 17 percent of male workers 20 years ago or so received an hourly wage that, if you worked full-time year-round, would not be enough to lift a family of four to the poverty line. Today, 24 percent of male workers get a wage that low. The minimum wage is much lower in purchasing power than it used to be. All of these things make SNAP more important for working poor families, for people working for low wages. It also means it used to be that if you left unemployment and you got a job, you wouldn't be on SNAP, but with lower wages, a number of people get a job and they still don't earn enough to make ends meet, and they qualify for SNAP.

I think we also have to think about the program in the context of an economy that has changed due to international competition, all kinds of factors, globalization, whatever. We have a significantly larger share of people making lower wages, and needing SNAP to help with their wages, be able to feed their family and still pay the rent and so forth.

Mr. CRAWFORD. In general, would you think, Mr. Besharov, as a professor of public policy, that policymakers tend to be reactive *versus* proactive, and if you agree with that statement, what would you advise to take a more proactive posture, and bring that into the context of SNAP?

Mr. BESHAROV. Well, this hearing is a good example of a proactive step. As a number of people have mentioned, reauthorization is far away, and thinking about this problem, this program now is very important in my opinion. It is important both because of its current situation. I am not sure I buy the CBO estimates. What I am very worried about is the future bumps in our economy. When you look at what is keeping us afloat, it is the Fed and cheap money from abroad. It is not as if we are out of these woods at all. So proactive is being ready for the next bump. And getting this program ready for the next bump in the economy, it seems to me, is extremely important. And that is not being reactive, it is being ready for the next tragedy that hits us.

Mr. CRAWFORD. Thank you. I yield back.

The CHAIRMAN. The gentleman's time has—yields back.

Ms. Plaskett for 5 minutes.

Ms. PLASKETT. Yes, thank you, Mr. Chairman, Mr. Ranking Member.

I first wanted to take a moment to talk about how important SNAP is, and other services in the food and social services safety net for the people where I live in the Virgin Islands. We all know that poverty in the twenty-first century is a shameful reality for our nation, and in the Virgin Islands, child poverty is heartbreaking. According to a report from Community Foundation of the Virgin Islands and Kids Count, 31 percent of children in the Virgin Islands live in poverty. And to further underscore this troubling statistic, Virgin Islands families are struggling with the very high cost of living driven by many factors, including that much of our food is imported, and we have the highest price for electricity in the nation. And while, thankfully, the American economy is on the rebound, and reports of job growth in this country are very good news, unemployment in the territories is over 13 percent.

Mr. Chairman, Virgin Islanders are proud people, and for them, they are willing and able and very much want to work, but good-paying jobs, or any jobs, in that territory are scarce. So for many Virgin Islanders, SNAP is the lifeline that helps them put food on the table and ensures their children, as has been underscored here, who are the main recipients, children in school are not hungry and ready to learn. For too many of those children, that school meal is their only hope. My constituents and, indeed, friends and family that insist that their children go to school to eat that meal, and the mothers and fathers who have jobs but are such low-paying jobs, go to homeless shelters for their lunch because when those families come home, they are going to have a cup of tea and a piece of bread for dinner before they get back to school.

So one of the things that I am concerned about is we talk in this Committee about the waivers, and it appears that people are hopeful that the waivers are ending, but my question is what happens to those communities and those areas should the ending of that waiver occur, where there is persistent poverty and unemployment that is very high? If you would both answer that question please.

Mr. GREENSTEIN. Well, this connects to Congresswoman DelBene's question, and is one of the reasons I would very much support the proposal that she mentioned. Under that proposal, people hitting that 3 month limit would be offered a work slot.

Ms. PLASKETT. Yes.

Mr. GREENSTEIN. Now, if they took it, the benefits would continue, but in the absence of that, we will have people hitting the 3 month work slot who are searching for work, they are looking but they can't find a slot, particularly if they are—don't have good work skills or they are in an area where the economy is weak, and they could then end up with no assistance at all.

I should have mentioned this earlier. If you look at the population that is subject to the 3 month limit, their average income is 19 percent of the poverty line, $2,200 a year. These are some of the poorest people in the country. Many of them have problems. A number of them are on the verge of homelessness. They are not exactly the best organized, most skilled, most abled group. So I really do think we ought to be allowing them to search diligently for a job. In most other areas that is part of a work requirement. And if they can't find a job, we ought to be offering them a work slot. I do worry about the hardship that will entail for people who are willing to work, and are willing to look, but who can't find the job and are not offered a work slot, and then have their food assistance cut off. And some share of the million people who will be cut off will be in that condition.

Ms. PLASKETT. Thank you. Mr. Besharov, I know you mentioned that we are no longer in the poverty of Mississippi. The great State of Mississippi has a much lower poverty rate than the Virgin Islands. Could you speak to the waiver being removed and what happens to these families?

Mr. BESHAROV. Well, the problem goes deeper than the waiver. About 5 years ago, I wrote a book about WIC, and I said we live in a world in which, at the time, if I remember correctly, 55 percent of all newborns received WIC benefits. And I went through an argument that that was too high. We can quibble about what the

number should be. But we said don't just reduce the eligibility rules so that fewer children receive WIC benefits; don't cut the program, but use that money to bolster the spending at the bottom. Who you described are the people at the bottom who need extra help, and my view is that too many people at higher incomes are getting benefits. We need to look at that issue and have a political argument. One side will win and one side will lose, but it is something we ought to do. Keep in mind that at the bottom, people may need higher benefits.

Ms. PLASKETT. Thank you.

The CHAIRMAN. The gentlelady's——

Ms. PLASKETT. Thank you.

The CHAIRMAN.—time has expired. I would like for the record to reflect that the waiver relates to able-bodied adults with no dependents under 50. So families aren't caught up in the waiver issue, and just to clarify that.

Five minutes to Jackie Walorski, the Subcommittee Chairwoman for Nutrition. Jackie.

Mrs. WALORSKI. Thank you, Mr. Chairman. And, gentlemen, I appreciate you both being here, and I appreciate your expertise and your lifelong endeavor to figure this program out, and how to take care of our—it is on. The microphone is on. I appreciate your expertise in looking at this process.

I think the validity of this conversation has already actually happened today because of the fact that we are hearing issues that are real and things that have to be looked at, and I appreciate the opportunity to look at this over the next couple of years as this Congress continues to roll out on how do we make sure that we don't have hungry—our fellow Americans are not hungry.

How do we ensure that, and what does this program do? I have been involved in international feeding programs. My husband and I lived in eastern Europe for 4 years, and we worked in the sewers with kids belowground that were trying—escaped from dictators and communism. And we found hunger there, so I actively did something about it. Found hunger in my district, in the second district of Indiana, devastating populations of people that are trying to make this work. And I guess as we have talked about today, we have talked about the issue of how do families, how do single moms, and how do underemployed families pay for food and healthcare and lodging and daycare, how does all this happen?

And my question is, when they finally get to a point where they have figured all this out, what then does the government do to really help these families? Has the SNAP program historically been just a band-aid to pass them on to the next—somebody else to deal with them, or is there a sense that there is an opportunity to actually look at what this government can do, should do, in actually getting real help to the financial challenges and how this happened to begin with. So I guess just historically, where do you see this? Has this always been a band-aid to try to get people along, or is there a long-term solution that has been talked about?

Mr. BESHAROV. Well, the world has changed. Before 1996, we would have had this conversation about TANF. And what happened was, when the Congress reformed TANF and the caseloads went way down, the SNAP caseloads, over time, over a 20 year pe-

riod, went up. And as I said in my testimony, some people, on the right especially, call SNAP Welfare 2.0, the new version of welfare. The difference is that within the SNAP program, the states don't have an incentive to really reform, to provide those kinds of uplifting services because of the formula. The formula is, if a state wants to provide services to people in your district in Indiana, it has to pay 50 percent of the costs, but if it wants to just give out SNAP benefits, it only pays the administrative costs, and those are very low.

So my recommendation is that whatever the incentive is, whether it is giving the states a bounty every time they get somebody from SNAP a good job, or an advanced degree or whatever, give them a financial incentive to help the people on SNAP. It is not there now.

Mrs. WALORSKI. Is there any sense of stewardship on the government's—from the government's perspective once somebody is on SNAP, this issue of trying to figure out what keeps them from recurring, what keeps them from getting back on, in the government sense, is there anything that actually looks to ever really help these families stay out of—do states check on them, do social workers check on these people, is there a validity that somebody really cares about what happens to these people, or is this just simply we have declared the program worked if they just are no longer a beneficiary?

Mr. BESHAROV. That is a tough question to answer. I think it depends on the state, it depends on the governor, and it depends on the timing. Many governors, Republicans and Democrats, want to address these long-term problems——

Mrs. WALORSKI. Do we mandate——

Mr. BESHAROV.—and——

Mrs. WALORSKI. Does the Federal Government mandate—have we ever mandated that somebody seriously track these families and see what is working, what is not working?

Mr. BESHAROV. In myriad ways. The problem, when we as a collective impose those rules on the states, suddenly all we have done to the governor and the secretary of health or whatever, or of food stamps or welfare, is his or her job then to ask, "Have I met the Federal mandates, have I met the Federal mandates?"

Mrs. WALORSKI. I want to go quick to Mr. Greenstein.

Mr. BESHAROV. Go ahead.

Mr. GREENSTEIN. Could I quickly note——

Mrs. WALORSKI. Yes.

Mr. GREENSTEIN.—there are very different kinds of people on SNAP. If you look at the people who got on between 2008 and 2012, ¼ were off within 4 months; 52 percent off within a year; 67 percent off within 24 months. A lot of people don't need other help. They are on for a temporary period.

Other people are—their problem is just their wages are low and they need a supplement.

Mrs. WALORSKI. I——

Mr. GREENSTEIN. So there is a——

Mrs. WALORSKI. I appreciate it.

Mr. GREENSTEIN. There is a smaller group that needs more substantial help.

Mrs. WALORSKI. Right. I hear you. I appreciate it. I look forward to the continued dialogue.

Mr. GREENSTEIN. Right.

Mrs. WALORSKI. I think it is very, very good to have that conversation.

Thank you, Mr. Chairman.

The CHAIRMAN. The gentlelady's time has expired.

Mr. Aguilar, from California, 5 minutes.

Mr. AGUILAR. Thank you, Mr. Chairman.

Mr. Greenstein, expanding the discussion to food insecurity, which is related to this topic: I was interested to note that University of Minnesota School of Public Health had a study last year that said 27 percent of veterans who came back from Iran and Afghanistan were subject to food insecurity. How will possible cuts in benefits affect these men and women who have already helped out this country tremendously?

Mr. GREENSTEIN. Well, in general, cutting benefits would tend to increase food insecurity, not on a one-to-one basis, but in general.

Our situation, both Doug and I alluded to this in our testimony, you compare where we are today in terms of hunger, serious hunger, serious malnutrition, the most serious aspects of food insecurity, to where we were in the late 1960's before we had a nationwide SNAP program, and it is really like night and day. We still have significant food insecurity, not of the most severe kind we used to have, but still of some concern, and if we reduce benefits, we will go backwards in that regard, in my assessment.

Mr. AGUILAR. Thank you, sir.

Mr. Besharov, Mr. Greenstein's testimony pointed out something to me, and it reminded me that three bipartisan groups; Simpson-Bowles, the Bipartisan Policy Council, and the more informal Senate Gang of Six, they all shielded SNAP from reductions. If there are additional savings to be achieved within tightening work requirements and or changing eligibility, why didn't these groups make a point to highlight that by their proposals?

Mr. BESHAROV. Well, I can't speak for the groups. I can tell you that there is something quite insidious about the CBO scoring rules that affect some of this. Many analysts, not all, but many analysts believe that work requirements, job search and so forth, will reduce the roles. CBO scores them as a net cost, which is to say, there was a bill proposed by some Republicans 2 years ago and the result was CBO said this is going to cost money, not less. Now, I don't know about what the commissions did. They were taking on so many big ticket items. They may have decided this one shouldn't be taken on. They may have decided that this program did so many good things that it shouldn't be touched at all.

My view is that SNAP has grown tremendously in the last few years, and now it should be treated as an income support program, and all the issues that we have seen should be applied because we would find that many of the changes would benefit recipients. Not all, but many would benefit recipients.

Mr. AGUILAR. Mr. Greenstein, would you care to comment?

Mr. GREENSTEIN. Well, I was able to talk to a number of people involved——

VOICE. Microphone.

Mr. GREENSTEIN.—including—I am sorry. I talked on a number of occasions to Erskine Bowles, to Alan Simpson, to people involved in Domenici-Rivlin, and to the Senators of both parties of the Gang of Six, and they made a specific determination that deficit reduction should not increase poverty or hardship. And they weren't saying that there were no improvements that could be made in these programs, but they were saying that they did not think reducing benefits in these programs was an appropriate source of deficit reduction.

Mr. AGUILAR. Thank you, sir.

I will yield back, Mr. Chairman.

The CHAIRMAN. The gentleman yields back.

Mr. Allen for 5 minutes—I am sorry—yes, Rick Allen, 5 minutes.

Mr. ALLEN. Thank you, Mr. Chairman. Thank you both for being here today.

And I have been in Congress now for—this is my seventh week, and I ran on the basis that Washington was too big and it really did too much, and it really impeded the private sector from growing, which creates jobs and makes folks independent. I do think the SNAP program is essential to feed families, but I also know that, somehow, it needs to prime the pump and not be the pump. And so I was interested in some of the comments about families moving in and out of this program.

Mr. Besharov, as far as the states are concerned, do states fund what works, and what have the states been doing to focus programs and spending on what works?

Mr. BESHAROV. Well, the Obama Administration has led an effort to talk about what works and evidence-based programs. Many states have made a commitment to try to implement and fund programs that have shown some sign of success. In this program, they have been somewhat stymied, as I have mentioned, because of the funding rules, but I was quite impressed, when I did meet with these 20 state commissioners, outside of the SNAP process, using the WIOA authorities that they did have, using other programmatic authorities, there is a great deal of experimentation already in terms of job training for SNAP participants and so forth. The problem is these are all small demonstration programs. Not one of them is statewide, not one of them is funded at the level that the state officials might like to see. And that is because, as you point out, they are constrained by the Federal rules. Their first priority is to fulfill the Federal requirements.

Mr. ALLEN. Okay. So what you are saying here is that, for the programs to be properly evaluated, to see what works, the states are restricted actually by the Federal Government to make sure that happens?

Mr. BESHAROV. Well, they are partly restricted, but it is much more a fact that the incentive structure just doesn't encourage them. You go to the governor and you say, "Look, I have this terrific program, I think it might work, but it is going to cost us $5 million."

Mr. ALLEN. I see.

Mr. BESHAROV. And then the governor asks what happens if it works? Do we gain? Do we gain because SNAP caseloads go down?

No, sir. And we have to incentivize the states in a responsible way to benefit when they provide services to SNAP recipients.

Mr. ALLEN. As far as the evaluation process goes, why aren't all programs in SNAP vigorously evaluated? I mean folks that move in and out of the process, how do they get off of SNAP, what works, what doesn't work, and—because, right now, I mean we are at an all-time high as far as folks receiving SNAP benefits, and the objective is to get these folks good jobs where they are not using this, and can actually fund their own nutrition. But how do we vigorously come up with something that will work to get folks off the program?

Mr. GREENSTEIN. Can I——

Mr. ALLEN. Sure.

Mr. GREENSTEIN.—real quick——

Mr. ALLEN. Sure.

Mr. GREENSTEIN. At the present time, we actually don't have good information, good data, good evaluation on here are a series of employment-related programs that work for SNAP participants. That is the purpose of the $200 million, I think it is, that has been provided in the 2014 Farm Bill for demonstration projects in up to ten states with rigorous evaluation. And if, as a result of that, we really learn some things that really work, then we ought to think about how we fund them. We may want to look at some of the incentive issues, as Doug has referred to. It is not as though we know right now here are the five things to do, just do them, but that is the purpose of that demo, and that demonstration project could prove important.

Mr. ALLEN. Are we spending that money to get to the source of the problem though? In other words, we are spending a lot of money, as you said, some money has been appropriated to evaluate the programs. Are we getting out—I mean are we getting a bang for our buck out of that evaluation process, or is it——

Mr. GREENSTEIN. Well, it hasn't——

Mr. ALLEN.—just——

Mr. GREENSTEIN. It hasn't started yet. It is just about to start.

Mr. ALLEN. Okay, all right. Well, I am—I apologize for that.

Mr. BESHAROV. Well, I would also add that recordkeeping, data systems, whether it is the Department of Agriculture, HHS, are very weak, and those of us who know about them worry about the quality of the data.

The CHAIRMAN. Yes. The gentleman's time has expired.

Mrs. Kirkpatrick for 5 minutes.

Mrs. KIRKPATRICK. Gentlemen, thank you so much for being here, and the problems you describe are descriptive of many people in my large, sprawling, rural Arizona district. And I want to point out, for example, a recent study from Johns Hopkins regarding food insecurity on the Navajo Nation, and some of the statistics are just staggering. For instance, unemployment is over 50 percent, 76.7 percent of the households suffer food insecurity, and 82 percent of the population is overweight or obese. So SNAP is essential to these folks.

And my question really is twofold, and I would like both of you to address it. The first is, how does the fact that one million people are going to be leaving SNAP affect tribal and rural communities?

And it is interesting that the USDA does not release numbers on hunger among American Indians. My first question is how is that fact of one million people leaving going to affect tribal communities? And second, this is a difficult problem, we have been dealing with it for years, so I like to look to innovation as a possible way to move this so that it will be more effective and more efficient. And I would like to know your top three innovative ideas if you were going to make the SNAP program more effective and more efficient.

Mr. BESHAROV. I worked for the New York State Legislature, and the Speaker got this briefing about how we should run the State Assembly, and all the steps in the legislative process. And the first step was this light bulb that lit up; the idea was that someone needed to have had a bright idea. I would take the view that there are loads of bright ideas, a couple of them are in this town, but most of them are out there, not in Washington; people trying to deal with the problems. And probably, I don't want to go too far, the problems in the Virgin Islands are a little different from the problems on a Navajo reservation. There are some similarities, some not.

When we constrain decision-making as much as we do, we remove the ability of local people to come up with bright ideas. At the other end of this, when we give too much discretion, they go running in whatever way they go. So I don't want to leave it as the answer is give everybody a free rein here, but the more we constrain in Washington, the less ability there is on an Indian reservation. And I don't know why USDA does or doesn't count whatever it does, but ask me if I am surprised and the answer is, of course, no. So my bright idea is let a lot of people have bright ideas, give them the wherewithal to persuade local communities, and then provide the sort of supervision that we really didn't provide in TANF to make sure that it is done responsibly.

Mr. GREENSTEIN. I would have a couple of thoughts with regard to the first part of your question about people coming off the program. To me, the reservation you cited is an example of why the right policy should be to have a work program slot or a job training slot for these people. If we don't, because whether it is the reservation, the Federal Government, the resources are not provided for that, then in an area as overwhelmingly poor as you have described, that is the kind of place that ought to be allowed to continue to have a waiver, otherwise ending the waiver isn't going to give people a job, it is going to create a lot of hardship.

Having said that, we ought to be doing better on the job training front. We ought to look at how, with the Workforce Investment Act improvements, can that lead to better service in a reservation. The job training demos could be important there as well.

I would also note that we are making some progress in improving coordination across programs using, for example, SNAP data to make sure that poor children don't fall through the cracks in terms of school lunches and breakfasts. I think there is a potential for further progress there.

And finally, this area is the kind of place I worry about when—we asked the question coming off of the recent—maybe a year or 2 ago, Institute of Medicine study, there is a question as to wheth-

er the underlying level of SNAP benefits is adequate for people at the very bottom.

Mrs. KIRKPATRICK. Yes.

Mr. GREENSTEIN. We do have evidence that about 80 percent of the benefits are used in the first ½ of the month. A lot of reports of people running out before the end of the month. In an area where there are no other jobs and no other income, that is a concern.

Mrs. KIRKPATRICK. Gentlemen, thank you so much.

I yield back.

The CHAIRMAN. The gentlelady's time has expired.

Mr. Rouzer, 5 minutes.

Mr. ROUZER. Thank you, Mr. Chairman. Thank you, gentlemen, for coming before the Committee today.

I am going to ask you a question that, if I have gotten it once, I have gotten it a million times back home. I represent southeastern North Carolina. I have a lot of families that work two and three jobs to make ends meet. During the course of the Great Recession, a number of them lost a couple of those jobs, were working one, doing whatever they could. And so they go to try to get help and they can't get any. And then they get in the grocery store line and they see other folks who have food stamp benefits and everything else, and they know for a fact that they have not paid near the amount of taxes or anything that these gentlemen, these families have over a long period of time. And so the question is: how do we get our incentives right, how do we—and I go back to this basic principle. You get more of what you subsidize and less of what you tax. In fact, on the tax side of things, that principle is riddled all throughout the Tax Code. You have tax credits for this and that, and deductions, *et cetera,* for all those things that Congress wants to encourage people to do. While on this side, on the benefits side of things, it just strikes me that perhaps—and this is the difficulty I recognize, and we all want to take care of those who need the help, but when I have folks back home who are telling me they are in dire straits, they paid their taxes, done everything right all these years, and they are not eligible for anything, and then they contrast that with those who have not contributed quite as much to society, let us say, and they are getting everything, that is a real problem. That issue surfaces all the time, particularly in the past, 4 to 5 years in particular.

So how do we get out incentives right? We have been kind of all around this, and I am asking more of a broader question, perhaps maybe a little bit more of a philosophical question, but we have to start thinking about this from a different angle. Do we need to have a program, in essence, where we come in and say, all right, if you have a job, here is a payment because you are doing the right thing? I just throw that out as an idea. You know, there are abuses with everything that you propose, obviously, but I am just curious, how can we think about this from a very different angle because, clearly, what we have in place, at least from my constituents' standpoint, is not working?

Mr. BESHAROV. You ask a greatly important question, and I am trying to punt. The first way is that we recognize that these incentives exist; that they are real. The year after I was in Mississippi,

I was a trial lawyer, and we were in court and taking a child away from a mother because she had been abusive, and giving the child to the grandmother. The grandmother sat there on the witness stand, and I watched her recalculate her AFDC benefit in her head. So these benefit structures, they may be difficult for us to understand, but for a lot of the people, they are their livelihood; they understand.

So the first step is to understand that these incentives exist. Second, some of these incentives are embedded in the way we live. I mentioned briefly about cohabiting couples. This is a giant problem. At UMD, we have a research program on this. It is wonderful for a professor because there is no good answer. If you say that people who cohabit should be treated as an economic unit, and that is the formal law—but I don't think that the data suggests that is not how it works because they have to technically share—but if you say that they have to share, they are going to lie to us. And to enforce it, we are going to have to return to the old man-in-the-house rule; we are going to have to go to the house and see who is living there. If we say, "Well, until you marry, it doesn't count," which is the informal rule now, then we have really created a big disincentive to marry.

Without knowing a great deal about the situations you describe, I am willing to bet that one of the reasons for what they are seeing there is family structure, which is to say: if there are two parents in the house and one of them is working, depending on the situation, they are unlikely to be eligible for food stamps. So maybe your advice is tell him he should leave the house, pick up the food stamps, and then ask him to come back. There are no easy answers, but unless we look to see how to handle these questions, we will never find answers. And I think that is important. I think it is greatly important because we want to protect the people at the bottom, but as this program has reached more and more people with somewhat higher earnings, we have to fix these incentives and pronto.

The CHAIRMAN. The gentleman's time has expired.

Ms. Adams for 5 minutes.

Ms. ADAMS. Thank you, Mr. Chairman. And thank you, gentlemen.

My district in North Carolina includes both Charlotte and Greensboro, two of the larger cities, and so my being on this Committee, I want to make sure both the adults and children in my district will continue to have access to SNAP if they need it, because both Mecklenburg County and Guilford County, are two of the top counties for SNAP recipients in North Carolina. No studies have shown a causal link between SNAP benefits and obesity. Any oversight of SNAP must recognize, I believe that it is already helping families eat more healthy foods.

So my question, Mr. Greenstein, one of your organization's publications is a report on trends on SNAP participation rates. It is estimated that 1.4 million eligible children were missing out on benefits. So as we implement this 2014 Farm Bill, what are the largest barriers to ensuring that children eligible for SNAP are actually receiving the benefits? Mr. Greenstein.

Mr. GREENSTEIN. Well, we have some issues, particularly in families that are disconnected in various ways. The parents may have health issues, mental health issues, other issues, and the family may be eligible but doesn't get signed up. I think there are a few issues here; one is the bulk of eligible children who aren't enrolled are actually children in working poor families. That is still where the largest share of eligible poor families with children who aren't enrolled fall. Information can help. I also think this is an area where we can both improve participation and reduce administrative costs by better coordinating the eligibility and intake and verification systems across different programs. We have made progress, but we still have situations where families go to one office and apply for SNAP, a month or 2 later they go to another office to apply for Medicaid. They are asked for the same information, and to the degree that we can use information technology to coordinate this, we will get more accuracy and fewer errors. We will reduce barriers to participation. Working families will have to spend less time off of work, and more will be participating, and we will have more accuracy and lower administrative costs at the same time. I think that is an important area to try to do more of.

Last point is, some of these situations, this is very common in all of these programs where people go off the program when their certification ends, for whatever reason, they didn't understand they had to reapply, or they got caught in the red tape, and then a few months go by until they get back through the red tape and they get back on the program.

So again, using information technology, information from other programs to try to coordinate better can also reduce this churning on and off of the program. If a family is eligible because the parent makes very low wages, we would want the children to be able to not experience these multiple months of breaks of assistance.

Ms. ADAMS. Okay. The Thrifty Food Plan is what USDA uses to calculate the cost of a nutritious yet low-cost diet. The overall formula is adjusted for inflation, but the price of foods in the Thrifty Food Plan have not been updated since 2006, so how much of a gap still exists between a household receiving the maximum level of benefits, and the average monthly cost of purchasing healthy foods?

Mr. GREENSTEIN. Well, there are a couple of issues here. So the SNAP benefits for any fiscal year, October through the next September, are based on the cost of the Thrifty Food Plan, the lowest cost, bare-bones diet, the Agriculture Department has developed. It is based on the cost of that plan the previous June. So it is actually 3 months out-of-date when the benefit starts, the fiscal year starts, and 15 months out-of-date when it ends. For that reason, there was a significant period of time where the law, as passed by this Committee and the counterpart in the Senate, was that the benefits would be tied to 103 percent of the cost of the Thrifty Food Plan, the idea being 103 percent of the previous June from the previous fiscal year would equal about 100 percent on average in the current year. But that was ended as a budget savings——

Mr. ADAMS. I am out of time.

Mr. GREENSTEIN.—in the 1990s.

Mr. ADAMS. I appreciate it.

The CHAIRMAN. The gentlelady's time has expired.

Mr. Yoho, 5 minutes.

Mr. YOHO. Mr. Chairman, I appreciate you having this timely meeting, and bringing this up. You know, with the nutritional program accounting for 80 percent of the farm bill, and the farm bill roughly $800 billion over the next 5 years, it is timely and this is the first—the best one to bring up, since it is the most money spent. And I appreciate you guys being here.

And the fact that I see a little bit on different sides, which is good because we get a—we get that feedback, and that is what we are going to need to fix this problem. And this is something we want everybody off of this program, even if it is—I mean in an idealistic world, but we know that is not going to happen. You know, and I am sure with a lot of the government programs, you see ⅓ of the people just are taking advantage of it or a percentage, I won't say ⅓, and then there is another percentage that are working the system, and then there is that group that it was intended for, the very people—the elderly, the children, the people with disabilities—that is what we really need to reform this program. And I don't know anybody on either side that doesn't want to do that, but yet when you get these big government programs, and you have roughly 12 different agencies working to solve this problem, it gets kind of muddled. And being a veterinarian for the last 30 years in my training, we looked at the whole system. What I see here is we are dealing with nutritionally deprived or underutilized individuals. That is a symptom. The underlying problem, and Mr. Scott brought this up, is poverty. You know, why is there poverty in the United States of America? You know, the freest country in the world with the most opportunity, and we are talking about poverty. And we have had a war we waged for the last 50 years, spent over $20 trillion, and we are getting more people on that.

And, Mr. Besharov, you brought up the point that until we deal with our underlying problems, we are going to continue this. You know, our money is being devalued. We are $18 trillion in debt. We have Social Security, Medicare and Medicaid that are just consuming us, along with our interest and retirement programs, and until we turn the tide and bring value back to our dollar, this is going to go up because people are going down as far as quality of life. And so saying that, I wanted to ask you, and I assume you guys are going to be available for input from here until we get this resolved, and success should be measured by retiring a program. You know, I don't know if the Federal Government never does that, but wouldn't it be—I know it is ideological, to be able to retire it to a point where it is 30 percent of the farm bill because we got people out of poverty.

And so you were talking about the Federal Government providing so many different levels of support, and we create a disconnect between the local governments, maybe the faith-based organizations, and state government, and I would like to hear your opinion, do we get to a point where the Federal Government steps in and says we are going to handle this, and so it takes the onus or the pressure off the states and say, "Hey, it is the Federal Government's problem?" What is your thought on that, Mr. Besharov?

Mr. BESHAROV. I think that is the big challenge. We are a continental country, 340 million people, and to think that you can run these programs from Washington is to inhale, frankly.

Mr. YOHO. To inhale.

Mr. BESHAROV. And yet the other ½ of this is, it is Federal tax money and so there has to be a balance that is drawn. I don't think the Congress nor the Administrations, the last four or five of them, have thought through this problem hard enough. They haven't given us a way to think in the modern world about the distribution of authority.

I study what other countries do. And many countries are smaller, Europe all together is larger than us, but every country is smaller. But what they are doing in Europe, what they are experimenting with in China, is devolving more and more authority to the local level, and attaching it to accountability. We haven't done that modernization of Federal programming nearly as much as we could.

Mr. YOHO. I look forward to having you come in at some point, we can talk. And I would like to get Mr. Greenstein's comments on that.

Mr. GREENSTEIN. Well, if the core of your question is what do we do to dramatically reduce poverty in the country so there isn't the need that we have today for the SNAP program, and that is a really big question. If you compare the United States to Western Europe, when you look at levels of poverty just based on market income, employment and wages, we are about in the middle. When you look at levels of poverty after taxes and government benefits, we have one of the highest poverty rates because we actually do less than those other countries do. The answer is how do we get to full employment? If we got the unemployment rate back to——

Mr. YOHO. I would love to talk to you more——

Mr. GREENSTEIN. Yes.

Mr. YOHO.—but I am out of time, and I appreciate it.

The CHAIRMAN. The gentleman's time has expired.

Mr. Ashford for 5 minutes.

Mr. ASHFORD. Thank you, Mr. Chairman. I want to thank you for this hearing. I spent a number of years as chair of a committee in the Nebraska Unicameral Legislature, and I always got to talk first and for long periods of time, so this is really good for me to be able to learn patience at this ripe old age of 65, or whatever I am. But in any event, this is incredibly important to me and I thank the chair for having the hearing. I also appreciate Mr. McGovern's comments about the need for these programs, and the fact that we are talking about them is not a reason to cut them unnecessarily or make them go away without good reason. And I also appreciate the comments regarding Simpson-Bowles, and it is absolutely right. I mean it was a very thoughtful study of our deficits, and how we get to a balanced budget and how we proceed forward, and that we should not be putting people into poverty as a part of that process, and that is very important.

In the early 1990s I was a sponsor the first Welfare Reform Bill in Nebraska, 1994. We had a waiver, we did welfare reform in Nebraska in 1994, 2 years before the Federal law. And then I served a number of years as chair, actually, Executive Director of our Housing Authority in Omaha, so I have had the opportunity to deal

with this. And couple of things. One is, every case is different. Every single person in poverty is different from the other person in poverty, and it is so difficult to categorize these matters. A young woman with a child or two children is in a different place than somebody that has slipped into poverty because of the recession. And, going back to the 1960's when many of these programs started, we had only a few programs. They were larger, in a sense, but they had not been broken down into smaller component parts. It may be a little easier to see where we were and what the spending was. We have sort of evolved from that into lots of little programs, so that we have 80 programs or whatever it is.

I know from my experience at the Housing Authority the cliff effect is a huge issue, a massive issue. The thousands of people that I tried to help in the Housing Authority who lose their housing subsidy when they receive a job, as opposed to at least maybe getting 90 days extra time so they could actually solidify their job employment status. And then all the other programs that are related to these individuals. One of the biggest tragedies my years in the Housing Authority is the loss of the Self-Sufficiency Program. On the housing side, when Self-Sufficiency funds were cut off, that was a massive disincentive, and caused more people to remain in public housing when they should be out working.

So every decision has a reaction, and every act has an act on the other side. So my view, from those experiences, is that; number one, the comments made about data collection and data—well, data collection, and then also being able to rely on data to make decisions in a coordinated way is the most important thing we can do. So let me ask this question: As you see all these various programs, we have talked about some of them, and this is an incredibly important Committee meeting and subject for me because I spent a lot of my life working on this, and the biggest frustration was lack of data. The biggest frustration was not being able to take a look at the history of a particular recipient, someone in the juvenile justice system, for example, and going back and trying to figure out why they got there. So I guess I have only given you a minute, but if you would just very briefly discuss where we are with data coordination and collaboration. These demonstration projects are important, where do we go in that regard?

Mr. GREENSTEIN. Well, I think there are a couple of issues. For the demonstration projects, one certainly hopes and expects that a very good evaluation firm will be hired, and that they will work with the states doing the demos, and that the condition of the demos will be real collection of good data. You have to have the data to evaluate.

For SNAP as a whole, actually, the data collection is much better than for a number of other Federal programs. You compare Medicaid, for example, to SNAP, Medicaid caseload data is always a couple of years old, it is questionable. I will say SNAP, in terms of being current on expenditures, caseloads, annual breakouts of the characteristics of participants, is actually one of the best of the large programs on that front.

Mr. ASHFORD. And my time is up. I just wish there was one place we could go. So we had somebody in public housing to find out

what can we do to help them, get them a job and get them what they need.

Thank you, Mr. Chairman.

The CHAIRMAN. The gentleman's time has expired.

Mr. Abraham for 5 minutes.

Mr. ABRAHAM. Thank you, gentlemen, for being here.

Knowing that a child can't learn if he is hungry, he or she, Mr. Aguilar's question that some veterans were having issues or problems getting some benefits, of all the Federal safety net programs that are out there, are there one or two that we need better coordination with the SNAP program to make it more efficient? This is a wonderful Committee meeting, and we certainly want to serve those that need serving, but we also want to be efficient with our tax dollars as much as we can. So answer that please. Thank you.

Mr. BESHAROV. Yes, thank you for that question. I have thought about it a lot. You have heard us put together the issues of unemployment insurance and SNAP. We could do the same about disability and TANF, but let me stay with unemployment insurance because that is the problem facing so much of America today. European countries were famous for having almost infinite unemployment benefits, well, 5 years, 10 years, and so forth. You didn't have to look for a job, and so forth. They have now—and I wish Mr. Ashford was here because what they have done is they have gotten away from the cliffs of benefits, and they have these step-downs so that after 1 year, your unemployment benefit goes down a certain amount. You are not thrown off. Then after another 6 months, your benefit goes down a little bit more. And this is a signal, and the research is pretty clear. When people see a deadline coming, it focuses their mind.

Right now, it would be difficult to implement something like that because SNAP would have to be phased out the same way, or phased in the same way. So my suggestion is, as you think about SNAP for higher income people, people who are working or can work, you connect it to the unemployment rules, and you make sure the two work in sync because if SNAP is a countercyclical program, we ought to take that into consideration.

Mr. ABRAHAM. Okay. Thank you.

I yield back, Mr. Chairman.

The CHAIRMAN. The gentleman yields back.

Ms. Lujan Grisham for 5 minutes.

Ms. LUJAN GRISHAM. Thank you, Mr. Chairman.

Professor, in your testimony, of course, you have indicated that you believe there is evidence to show that SNAP may, in fact, increase obesity in certain groups. And as a former health secretary, I certainly understand the importance of combating obesity. And, in fact, some startling statistics that are national, and as important are the startling statistics that are from my own home state, I am going to start with those. We have the hungriest children in the country and we have some of the highest poverty rates in the country. Childhood obesity has more than doubled in children, and quadrupled in adolescents in the past 30 years. Obesity rates are significantly higher in low income communities, which means states like New Mexico are hit even harder. Costs associated with obesity alone are about $147 billion. That is 2008 dollars. There

are many estimates that get that closer to $300 billion, depending upon what other chronic issues you are identifying with obesity, which I would argue is relevant to the total cost.

But I want to point out some good news on that front. Now, the CDC recently showed that there is a 43 percent decrease in obesity in 2 to 5 year olds. And let me tell you where that came from. It came from reducing the consumption of sweet beverages, improving nutritional standards and programs inside early childhood education, and providing physical activities, which are not requirements of the SNAP program, which are not being done by our school nutrition programs, which are not being done by states, particularly states that are poor. And so while I agree with you that we need to get our arms around, as policymakers, obesity and the challenges, I disagree that SNAP is that contributing force. And I want to tell you that I did the SNAP challenge, and I consider myself a Mom, I raised two daughters, and have always been a public servant, and have to be careful about what I can do and not do. I can tell you that on $4.50 a day, I was pushed towards the kinds of simple carbohydrates that give you a full belly, but aren't nutritionally sound and completely inappropriate; rice, pasta, ramen. I could afford a couple of fresh fruits; I think it was an apple and maybe two bananas. I could not afford for a week's worth to buy fresh vegetables. So it is clear to me that with these food budgets, that we are pushing families to purchase cheap, energy-dense foods that are filling as a way to maximize their calories per dollar, and to, quite frankly, stave off hunger.

Now, I have spoken to pediatricians and dieticians who agree that SNAP itself and having a food benefit isn't the issue. It is about making sure that we are funding nutrition education, and making sure that we are dealing with food deserts, and making sure that we have access to fresh fruits and vegetables, and quite frankly, making sure that the benefit matches that reality for families. We need to give them more options for food purchasing, we need to encourage marketers of fresh vegetables and fruit to open farmers' markets in these communities that are only served by either a large grocery chain or a convenience market in rural and frontier communities.

Given that, should the Committee, Professor, look at increasing SNAP benefit levels so that families can, to our point, better afford adequate diets that include healthier foods?

Mr. BESHAROV. Well, I made the point that I worry about people at the bottom. As incomes go up, the SNAP benefit is really a supplement to other monies available, and I would worry about people at the bottom. But I want to add something else because there is only a minute here. The other point you made, which is crucially important, you mentioned the food counseling in pre-K programs, and I don't remember if you said WIC.

Ms. LUJAN GRISHAM. I didn't say WIC, but I——

Mr. BESHAROV. Should have.

Mr. LUJAN GRISHAM.—am likely to maybe, I don't know, it is too early to tell if I agree with your next statement. Let us see.

Mr. BESHAROV. But, as you know, WIC is largely, although there is a program for 3 to 5 year olds, WIC is largely for the infants.

Ms. LUJAN GRISHAM. And their mothers.

Mr. BESHAROV. And their mothers. So what you have just described are programs that do not continue for the lifetime of the recipients. So we could create a new program, we could——

Ms. LUJAN GRISHAM. I am going to reclaim my time. Are you maybe leaning towards increasing all of these programs because, in fact, I would absolutely agree with you, and that is a bit unfair——

Mr. BESHAROV. I would——

Ms. LUJAN GRISHAM.—you to answer

Mr. BESHAROV.—stick more counseling into a SNAP program.

Ms. LUJAN GRISHAM. But all the studies indicate, in my last 16 seconds, sir, and I would love for you to come back to this Committee, Mr. Chairman, and talk to us more about that, but in fact, it is the counseling and nutrition education along with sufficient resources to purchase those foods at home. It can't be a one-stop effort for families to be in a position to actually have those healthy lifestyles.

Mr. Chairman, I yield back. Thank you so very much.

Mr. ABRAHAM [presiding]. Mr. Scott?

Mr. DAVID SCOTT of Georgia. Yes. Thank you very much, Mr. Chairman.

First of all, the situation regarding employment and jobs, poverty, all of that, all of that has been structured into economic social policy over the last quarter century, and we have not been able to replace it. For example, millions of jobs, millions of jobs that we once had 25 years ago have disappeared because of our terrible policy of shipping so many manufacturing jobs, the middle-income, blue collar jobs have been shipped overseas: we have lost them. There has to be a struggle to get those manufacturing jobs back, opening up manufacturing plants and start making it in America. We have become a service economy, and not a making one. That is one area.

The other one then is our policy of sending so many of our young, eligible fathers to prison. Millions. Our prison population went from 300,000 in 1975 to over two million today. These are providers that are not there, and this is why we have so many single, female head of households. I mean so when you look at everything that we have done, we have to collect some of these things first. However, when we look at the situation of hunger, we have to be careful not to throw the baby out with the bath water.

Now, one of the issues that seem to be permeating everybody's mind is waste, fraud and abuse, but the facts tell us that SNAP abuse is lower than it has ever been. The most recent data show that the SNAP accuracy rate is 97 percent, and part of the remaining three percent was actually underpayments, which saved the government money.

So my question here is that sometimes it is not getting the right answer that matters if we don't set up the right question to get to that right answer. I asked this question before, where are examples of the fraud, where are the examples of the abuse, where are the areas in which we look inward to see where we cut or will we do this, and I can't find any answers on that. I want somebody to tell me where is the waste, where is the abuse, and where is the fraud in a program where the accuracy rate is said to be 97 percent, and the other three percent is largely due to underpayments.

Mr. GREENSTEIN. It is interesting, Congressman, a few years ago, the *National Journal,* one of the wonkier news magazines in town, evaluated, looked at a whole range of Federal programs and they rated SNAP as one of the government's most successful programs.

Mr. DAVID SCOTT of Georgia. Correct.

Mr. GREENSTEIN. They noted two things; that, for a program of its size and complexity, its error and fraud rates were very low, and that it is especially effective in responding promptly to increases in needs, such as during recessions. But, we look at a lot of the issues, we are trying to improve the program and make it better, but this actually is one of the best-run programs we have. As I said at the beginning of my testimony, it has used business practice and information technology to come a long way. When I started working on the program, the error rate was 17 percent. The net loss is now two percent. It does much better in serving the working poor. Again, not that we can't make it better, but we should take account of the improvements that have been made, and the degree of effectiveness that the program has. We live in a cynical time and we tend to downgrade everything, but this program has really done enormous——

Mr. DAVID SCOTT of Georgia. Absolutely.

Mr. GREENSTEIN.—good for tens of millions of people over the last several decades.

Mr. DAVID SCOTT of Georgia. Right.

Mr. BESHAROV. I would just add one thing, if you don't mind.

Mr. DAVID SCOTT of Georgia. Yes.

Mr. BESHAROV. I would return to your comment about the African-Americans and other men who are in prison, and about to come out, the number is close to two million.

Mr. DAVID SCOTT of Georgia. Yes.

Mr. BESHAROV. My reading of the literature is that these are some of the most employable men——

Mr. DAVID SCOTT of Georgia. Absolutely.

Mr. BESHAROV.—and that the programs that work with them are much more successful than a lot of the other programs we talked about. Wherever you get a billion dollars, whether you shave it off SNAP or find it someplace else, one of the things we ought to do is fund some more of these prisoner re-entry programs, and we are not doing a good job there, sir. We really aren't.

Mr. DAVID SCOTT of Georgia. That is the direction we have to look at. So many people look at the program and they want to just chop this thing up here while it is doing a great job, and the best way to bring down the cost of the SNAP program is to put people to work. Get the jobs back from overseas, do the other things like the re-entry program.

Thank you, Mr. Chairman.

Mr. ABRAHAM. Mr. McGovern.

Mr. MCGOVERN. Yes, thank you very much.

First of all, I just want to say for the record so it is clear, SNAP works. And, Mr. Greenstein, you just made that point that it is a well-run, efficiently-run, effective program, and we should be proud of this program. And the narrative that we oftentimes hear does not reflect the reality, but it is important to state for the record that this program works.

Second, I wish Mr. Rouzer was still here because I had an answer that he could have given his constituent who went in the shopping line, didn't like the fact that the person in front of him was buying his groceries with food stamps, and wanted to know how to respond to that. My response to that constituent would be, you should be very happy and thank God that you are not so poor that you qualify for this benefit. This notion that people want to be poor, or like to be poor, or prefer to be poor, I don't think reflects reality. I could assure you that someone who works and earns so little that they still are eligible for SNAP would prefer a job that pays a better wage so they could afford whatever food that they want.

Let me also make the point, because listening to some of the comments in the Committee here, I hope that we in this Committee resist making this a debate about passing the buck to the states. States are cash-strapped too, I guess in a perfect world it would be nice if they could, for our own bottom line up here, pick up everything that we do, but they are not going to do that.

And on the issue of food, which we ought to consider as a right in this country, it is a Federal obligation to lead the effort to make sure that nobody in this country is hungry, and that in terms of our safety net, people have access to food.

The other thing I will point out is that SNAP is not a jobs program; it is a food program, and if we are going to demand that people be enrolled in worker training programs, and these programs and those programs, we ought to make sure those programs exist. The rationale behind some of the governors who ask for these waivers were that they didn't have enough programs to be able to accommodate all those who needed worker training. I am under no illusion that we in this Congress, by the way, all of a sudden will get religion and start funding new programs or expanding programs, because all we seem to do is cut programs.

But let me just ask for the record, do you believe that if the United States Congress passed, and the President signed, an increase in the Federal minimum wage, that that would reduce the number of people currently on SNAP in any way, shape or form?

Mr. GREENSTEIN. I don't think there is too much question that it would reduce the number of people, it would also reduce the average benefit because benefits relate to earnings.

Mr. MCGOVERN. Right.

Mr. GREENSTEIN. The major issues affecting the size of the program are actually largely outside the control of this Committee. If we had a five percent or a four percent unemployment rate, like we did in the late 1990s, many fewer people would qualify for SNAP. If we had real wage growth at the bottom of the wage scale, which is an issue a lot broader than just the minimum wage, fewer people who work would need SNAP, and people who work and have SNAP would, on average, get lower benefits than they get today because their wage level would be higher. But there is a direct relationship, and part of what has happened is, for the last number of years, we have had—we have been far from full employment, and we have had very substantial erosion of wages on the bottom ends of the wage scale, and those factors are among the significant reasons that the SNAP program has gotten larger. If we could get

back to the kind of economy we had with fuller employment, and stronger wages at the bottom where, when the economy grew, wages grew all across the income scale, you would have fewer people on SNAP, the average benefit of those on would be lower, and the costs would be lower.

Mr. MCGOVERN. Do you agree, Mr. Besharov?

Mr. BESHAROV. I think I would worry about the number of jobs that existed. There is an argument, but the evidence is pretty clear, that you raise the minimum wage too much and you lose jobs. I just parked at the University of Maryland yesterday. We fired 150, I think it is, could be more, could be less, parking lot attendants and we put in machines.

Mr. MCGOVERN. Yes.

Mr. BESHAROV. Not because the jobs went abroad, but because the machine was cheaper than paying someone to stand there and collect the money.

Mr. MCGOVERN. I am not sure that is directly due to the minimum wage, but let me say I do think there is a problem when people work and they earn so little that they still qualify for these benefits. We can't have it both ways here. We can't be asking people to get off of SNAP, and at the same time not providing them an alternative.

But I just have one final thing. I guess I can't, but——

Mr. ABRAHAM. The gentleman's time has expired.

Mr. MCGOVERN. All right, thank you.

The CHAIRMAN [presiding]. This is not the Rules Committee, this is the Agriculture Committee.

Mr. Ashford for 5 minutes.

Mr. ASHFORD. I am actually talking twice here, and I apologize, Mr. Chairman, we are very fortunate in Nebraska, we did pass the minimum wage at a voter approval of 61 percent of Nebraskans, it is not exactly a liberal state, but we voted this time for a minimum wage increase, and it was not substantial. Your point about making sure that it not be a significant wage increase or too much of a wage increase—I mean ours will go up to $9 in 2 years, or whatever it is. But it will have a significant impact on our food stamp population.

I just want to ask one last question, because it is intriguing to me, the database or the oversight or whatever in SNAP is, as you suggest, Mr. Greenstein, it is one of the better programs. I am very interested in this. Can you then utilize the data that is collected in regards to SNAP, and I agree with Mr. McGovern that this is not an employment program, this is a food program. There are agencies in localities that, if we had the ability to understand what these people are going through, that data could be very helpful in increasing their ability to work or finding work, if it is that part of the population. I realize SNAP is not just people that are just off work and need to find a job right away. Is that data robust enough to do that kind of interface?

Mr. GREENSTEIN. We have a lot of good data on who goes on SNAP, how long they stay, what are their characteristics, what are the precipitating factors; the most common is loss of a job, that leads them to go on. What we don't have at the present time are really good data on here is the way to design an employment and

training program for SNAP recipients to get the maximum bang for the buck in helping people move to employment. That is what we are hoping to learn from the demonstration project.

Mr. ASHFORD. I just think that is tremendous. And that is pretty new, isn't it, I mean this demonstration project?

Mr. GREENSTEIN. It hasn't even started yet.

Mr. ASHFORD. I know. This is new. I understand it hasn't started. We have gone through that. It hasn't started, but it hasn't been tried that much either. This is something relatively new in the food stamp area. So this is a very good idea. The information from that the Washington State program, for example, and other states that have similar kinds of projects that can pick up on this, is pretty exciting. If we can utilize a program like SNAP, not necessarily to design a program to get people off of food stamps, but to design a program that interfaces well with other programs and local agencies, whether it be housing or whatever it is, healthcare. One of the ironies in Nebraska, we did not pass Medicaid expansion, which was unfortunate. Some of my colleagues most likely would disagree with me. But, basically, as you try to find enough work to get on an exchange so that you qualify for the exchange and get out of the donut hole, then you don't get food stamps, and then you don't get childcare. Every time there is an action, there is a reaction going on in government. It is not so much that we reduce the size of government, it is that we make government work better for our citizens, and it seems to me that that partially could result in a reduction in the size of government. They obviously can do that. So I don't know, Mr. Besharov——

Mr. BESHAROV. Well, I just wanted to add a note of caution about these pilots. The Congress has been disappointed many times about the results of research, not because they didn't dislike the results—the answer. Some of the job training programs have taken 6, 7 and 8 years, right——

Mr. ASHFORD. Right.

Mr. BESHAROV.—to get our results. I don't think this Committee would be very happy to look at the timeline of when these data are going to come out. And when they come out, there is going to be major questions about the quality of the research and this and that. There will be an important addition to our knowledge, but too often I have seen us be too disappointed about the results of demonstrations, no matter how promising they look.

Mr. ASHFORD. Maybe this one will be a better one, and we can put it on steroids and get it done faster. Sorry.

Mr. GREENSTEIN. I am also told that some states actually have built longitudinal databases that supplement the Federal data——

Mr. ASHFORD. Right.

Mr. GREENSTEIN.—with regard to SNAP participants. So in some individual states, we can get even richer data.

Mr. ASHFORD. I yield back.

The CHAIRMAN. The gentleman yields back his time.

Well, gentlemen, it looks like you have worn us out completely. I appreciate both of you being here this morning, and the cordial way in which you addressed each other, and the reaction to the questions. This is just the start of a long process. Mrs. Walorski will have a hearing tomorrow at 1 o'clock, the first Subcommittee

hearing on this issue, and we intend to continue to flesh these thoughts out and look forward to your continued participation in our conversations. So thank you very much.

Under the rules of the Committee, the record of today's hearing will remain open for 10 days to receive additional material and supplementary written responses from the witnesses to any questions posed by a Member.

This hearing on the Committee on Agriculture is adjourned. Thank you.

[Whereupon, at 12:31 p.m., the Committee was adjourned.]

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

(SNAP RECIPIENT CHARACTERISTICS AND DYNAMICS)

THURSDAY, FEBRUARY 26, 2015

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON NUTRITION,
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The Subcommittee met, pursuant to call, at 1:12 p.m., in Room 1300 of the Longworth House Office Building, Hon. Jackie Walorski [Chairwoman of the Subcommittee] presiding.

Members present: Representatives Walorski, Neugebauer, Gibbs, Crawford, Hartzler, Benishek, Davis, Yoho, Rouzer, Abraham, Moolenaar, Conaway (*ex officio*), McGovern, Adams, Lujan Grisham, Aguilar, Plaskett, Ashford, and DelBene.

Staff present: Anne DeCesaro, Jackie Barber, Ted Monoson, Haley Graves, Jessica Carter, Lisa Shelton, Robert Larew, Andy Baker, Liz Friedlander, John Konya, and Nicole Scott.

OPENING STATEMENT OF HON. JACKIE WALORSKI, A REPRESENTATIVE IN CONGRESS FROM INDIANA

The CHAIRWOMAN. This hearing of the Committee on Agriculture, Subcommittee on Nutrition, to review SNAP characteristics and dynamics, will come to order.

Good afternoon, and welcome to this year's first meeting of the Nutrition Subcommittee. I appreciate all of you being here. I appreciate our other Members coming as they finish voting.

Today, I would like to give you a glimpse of what lies ahead for this Subcommittee over the next 2 years as we review SNAP.

Before we begin, I want to take just a quick opportunity for everyone here to understand my background and why this issue and this Subcommittee is important to me personally. First and foremost, I am a lifelong Hoosier. I have dedicated my career to helping Hoosier families. After I married my husband, we made the decision to move to Romania, in Eastern Europe, where we created and ran a local foundation and spent 4 years providing resources to impoverished children across that country. I know what poverty looks like, both internationally, and what it looks like in my own district, Indiana's Second District, and how it affects families and communities. And when I read that one in six Americans are hungry, it reaffirmed my commitment to ensure that no child or adult endures what I have seen others go through.

In order for us to be successful, it is imperative that we first review the SNAP program to better understand what works and what doesn't work.

The full Committee yesterday examined why a review of SNAP is important. It is the largest feeding program in both the number of recipients and the amount of spending, yet the program lacks a clear mission and the data seems to show us that it is doesn't necessarily support families coming out poverty, and it is not necessarily helping lift people into better circumstances. It is my hope and expectation that this Subcommittee, along with the work done at the full Committee, will explore and gain a better understanding of the entire program; specifically, its recipients, to find unmet needs and areas of overlap.

The SNAP program does not function by itself and many other factors contribute to its ultimate success. That is why it is so important that this Subcommittee focus our efforts on understanding how SNAP can best serve families and children across the United States. What is very clear to me, and what I hope becomes clear to you in the coming months, are the many layers of bureaucracy that does exist inside of SNAP. Currently 18 different programs provide food assistance, and while many of them do not fall within this Committee's jurisdiction, they do serve SNAP recipients. In addition, a range of low-income benefit programs are offered at the local, state and Federal levels. On top of that, a web of nonprofits and community service providers do exist to provide assistance.

While I recognize the government's role in this process, there are incredible local organizations in my district, like St. Margaret's House and the Food Bank of Northern Indiana, that help to feed Hoosiers in my district and provide support to families and children in need. This is why understanding the overlap between the myriad of programs will help us decide how to best provide support and services to families in need. In the coming months we will be able to tackle these issues and more, but today is about understanding those families in need; who they are, what has brought them to the program, how long they have remained in the program so that we better understand how to serve them.

Today is not about policy recommendations; it is about understanding the diverse characteristics and dynamics of the more than 46 million Americans who receive benefits from this program each month. Over the coming months, our review will include a range of stakeholder perspectives, including current and former recipients, not-for-profits, states, localities, the food industry, and nutrition experts, to name a few.

Today we will hear from a panel of distinguished researchers who have all conducted well-documented studies using trusted government data sources. In most cases, the research has been funded by the Department of Agriculture's Food and Nutrition Service, which oversees the administration of SNAP.

I want all the Members to know that I am always available if you want to offer any input as we move forward with this process. I thank all of our witnesses for being here with us today. I look forward to their testimony.

[The prepared statement of Mrs. Walorski follows:]

PREPARED STATEMENT OF HON. JACKIE WALORSKI, A REPRESENTATIVE IN CONGRESS FROM INDIANA

Good afternoon and welcome to this year's first meeting of the Nutrition Subcommittee. Thank you all for making time in your schedules to be here and thank you to today's witnesses for your participation.

Today, I would like to give you a glimpse of what lies ahead for this Subcommittee over the next 2 years as we review the Supplemental Nutrition Assistance Program, or SNAP.

Before we begin, I want to take an opportunity for everyone here to understand my background and why this issue and this Subcommittee is important to me.

First and foremost, I am a lifelong Hoosier and I have dedicated my career to helping Hoosier families.

After I married my husband, we made the decision to move to Romania where we created and ran a local foundation and spent 4 years providing resources to impoverished children across the country.

I know what starvation looks like and how it affects families and communities.

And when I read that one in six Americans is hungry, it reaffirmed my commitment to ensure no child or adult endures what I've seen others go through.

In order for us to be successful, it's imperative that we first understand what works and doesn't within SNAP.

The full Committee yesterday examined why a review of SNAP is so important—it's the largest welfare program in both the number of recipients and the amount of spending, yet the program lacks a clear mission and the data reveals that it is not helping lift people out of poverty.

It is my hope and expectation that this Subcommittee, along with work done at the full Committee, will explore and gain a better understanding of the entire program and specifically its recipients to find unmet needs and areas of overlap.

The SNAP program does not function by itself and many other factors contribute to its ultimate success.

That's why it's so important that this Committee focus our efforts on understanding how SNAP can best serve families and children across the United States.

What's very clear to me, and what I hope becomes clear to you in the coming months, are the many aspects to SNAP.

Currently 18 different programs provide food assistance, and while many of them do not fall within this Committee's jurisdiction, they *do* serve SNAP recipients.

In addition, a range of low-income benefit programs are offered at the local, state and Federal levels. On top of that, a web of nonprofits and community service providers exist to provide assistance.

While I recognize the government's role in this process, there are wonderful local organizations, like St. Margaret's House and the Food Bank of Northern Indiana that help to feed Hoosiers in my district and provide support to families and children in need.

This is why understanding the overlap between the myriad of programs will help us decide how to best provide support and services to families in need.

In the coming months we'll be able to tackle these issues and more.

But today is about understanding those families in need. Who they are, what has brought them to the program, and how long they have remained in the program so we better understand how to serve them.

Today is not about policy recommendations; it's about understanding the diverse characteristics and dynamics of the more than 46 million Americans who receive benefits from this program each month.

Over the coming months, our review will include a range of stakeholder perspectives, including current and former recipients; nonprofits, states and localities, the food industry, and nutrition experts to name a few.

Today we will hear from a panel of distinguished researchers who have all conducted well-documented studies using trusted government data sources.

In most cases, the research has been funded by the Department of Agriculture's Food and Nutrition Service, which oversees the administration of SNAP.

I thank all of our witnesses for being here with us today and look forward to their testimony.

The CHAIRWOMAN.I would now like to recognize Ranking Member McGovern for his opening statement.

OPENING STATEMENT OF HON. JAMES P. MCGOVERN, A REPRESENTATIVE IN CONGRESS FROM MASSACHUSETTS

Mr. MCGOVERN. Thank you very much, Chairwoman Walorski, and congratulations on chairing your first hearing of this Subcommittee.

I want to start by thanking you in particular for reaching out to me beforehand, and setting up a time for us to get together to know each other and to chat. I really appreciated the gesture. And I look forward to working with you on hunger and nutrition issues. All too often around here, Members talk at each other rather than with each other, and I am glad to say that we are off to a much more productive start.

I also want to thank the witnesses for being here today with us. As I said at yesterday's hearing, I am a little surprised that we are starting the first top-to-bottom review of programs within the Committee's jurisdiction with SNAP, a program whose caseloads and spending are going down, according to CBO. I hope we exercise the same rigorous oversight on farm subsidies to big agribusiness, payments that CBO projections indicate could end up costing us nearly $5 billion more than expected in the farm bill.

I want to ask my colleagues to remember just how poor you must be to qualify for SNAP. Approximately 92 percent of SNAP's benefits go to households with monthly incomes below the poverty line, and 57 percent go to households with incomes below ½ the poverty line. For a family of three, the poverty line is about $1,650 per month. So that is not a lot of money. SNAP eligibility requirements are tough, even if you are poor, and the program has one of the lowest error rates of any Federal program. The bottom line is that SNAP works.

I hope today's hearing builds upon some of the overarching themes that came up yesterday. In particular, we need to address one of the biggest flaws in our social safety net, the so-called cliff. This happens when someone gets a job, but earns so little but they still lose their benefits and end up worse off. And if we really want to move people out of poverty for good, we ought to begin by raising the Federal minimum wage. Many of these issues are outside the purview of this Committee, which is why I am asking the White House to hold a White House conference on food, nutrition and hunger. We should bring people together from different Federal agencies, businesses, nonprofits, faith-based organizations, beneficiaries, and so on, to come up with a holistic plan to end hunger, a roadmap that we can follow with real benchmarks.

I look forward to hearing from the witnesses, and I thank the Chairwoman for holding this hearing.

The CHAIRWOMAN. Thank you, Mr. McGovern.

The chair would now like to recognize Chairman Conaway for his opening statement.

OPENING STATEMENT OF HON. K. MICHAEL CONAWAY, A REPRESENTATIVE IN CONGRESS FROM TEXAS

Mr. CONAWAY. Well, thank you, Madam Chair. I appreciate that.

I don't have a lot to say other than to quote that wise sage, Pete Sessions. He said, "Always make a big deal of making the big deal the big deal." And nutrition, this review and the efforts that we are

going to put in on getting these policies correct is the big deal. You can look at the makeup of the Committee with the Vice Chairman and the other Subcommittee Chairman that are on this Committee, and to me, this is the big deal, and I have the right person in the chair to lead this effort, and I look forward to her work.

We did have some interesting comments yesterday. The idea that this program has morphed over time into an income support program, more than it is a calorie provision program, and the other side issues that America faces with child obesity and adult obesity and other things, I am looking forward to seeing how we can find the right policies to address the issues that are under our jurisdiction. And I have great confidence in this Subcommittee's work, and look forward to seeing that happen.

And I yield back.

The CHAIRWOMAN. Thank you, Chairman Conaway.

The chair will request that other Members submit their opening statements for the record so the witnesses may begin their testimony to ensure there is ample time for questions.

The chair would like to notify Members that they will be recognized for questioning in order of seniority for Members who were here at the start of the hearing. After that, Members will be recognized in order of arrival. I appreciate Members' understanding.

Witnesses are reminded to limit their oral statements to 5 minutes. All the written statements will be included in the record.

And with that, I would like to welcome the witnesses to our table today—to our hearing table. Ms. Karen Cunnyngham, Senior Researcher, Mathematica Policy Research; Dr. Gregory Mills, Senior Fellow, Urban Institute; Dr. James Ziliak, Founding Director, Center for Poverty Research, University of Kentucky; Mr. Stephen Tordella, President, Decision Demographics.

Ms. Cunnyngham, please begin when you are ready.

STATEMENT OF KAREN CUNNYNGHAM, SENIOR RESEARCHER, MATHEMATICA POLICY RESEARCH, WASHINGTON, D.C.

Ms. CUNNYNGHAM. Thank you, Chairwoman Walorski, Ranking Member McGovern, and Members of the Subcommittee for the opportunity to testify today.

As you know, SNAP is the central component of the nation's nutrition safety net. In Fiscal Year 2014, it provided benefits to 46.5 million people in an average month, slightly down from Fiscal Year 2013.

Today, I will describe the set of resources you can use to gain a deeper understanding of the SNAP population. These include Mathematica's new SNAP data visualization, reports we produce for FNS on the characteristics of SNAP households, and the data and computer models used by FNS to examine proposed changes to SNAP. I will use these tools to highlight information about SNAP and the characteristics of the SNAP population.

The SNAP data visualization tool presents complex data in an easy to understand interactive format. Could we have the visual on that? Thank you. Are we good?

The CHAIRWOMAN. No, hang on one second. This is like a technical timeout.

VOICE. If you have binoculars I might need them.

The CHAIRWOMAN. I have bifocals. Let us just go off the record.

Ms. CUNNYNGHAM. I think it is ready now. Thank you.*

The SNAP data visualization tool presents complex data in an easy to understand interactive format. In the SNAP overview module, we can compare SNAP participation since 1969 with participation in other government programs like the School Lunch Program, WIC, and Unemployment Compensation. We can also compare expenditures on SNAP with expenditures for the other programs. In the SNAP participation module, we can compare poverty, SNAP eligibility, and SNAP participation across states. Here we see a comparison of states by the percentage of people with income under 200 percent of poverty. We can contrast that with state estimates of the percentage of people who are eligible for SNAP. Clicking on a particular state provides an easy way to compare poverty, eligibility and participation within the state.

I encourage you to explore this tool, and hope you find it helpful in your examination of SNAP.

Another important resource is FNS's series of annual reports on the characteristics of SNAP households, the latest of which is for Fiscal Year 2013. The reports include a wealth of information about SNAP and SNAP participants at both the national and state levels. For instance, the report provides detailed information about SNAP eligibility rules. This includes income and asset standards, allowable deductions, and non-financial eligibility restrictions. The report also describes how states have some leeway to establish their own income and asset eligibility criteria. For example, many states use a TANF-funded, noncash benefit to confer categorical eligibility on a large number of low income households. States who do this have established income limits, and in some cases, asset limits for households to receive the TANF-funded benefit. Benefits for these households are determined using household income, and the same rules that apply to other eligible households.

In addition to describing eligibility criteria, the report contains data on the varied characteristics of SNAP participants. For instance, readers can see how average monthly SNAP benefits vary by household composition. This is also graphically shown on page 5 of my written testimony. In Fiscal Year 2013, the average benefit for households with an elderly person was $134, compared to an average $410 for households with a child. The report on SNAP household characteristics also illustrates how SNAP targets benefits to the neediest households. As shown on page 7 of my testimony, 43 percent of SNAP households have monthly incomes at or below 50 percent of the poverty guideline. These households receive 57 percent of all SNAP benefits. In contrast, five percent of SNAP households have monthly income over 130 percent of the poverty guideline. They received only one percent of SNAP benefits.

The report further shows that 75 percent of SNAP households included a child, an elderly person, or a person with a disability. These households received 82 percent of SNAP benefits.

The numerous appendix tables show how the characteristics of SNAP households vary across states. For example, state percentages of SNAP households with monthly incomes at or below 50 per-

*During the witness's testimony a short video demonstration was played.

cent of the poverty guidelines ranged from a low of 24 percent in Vermont to a high of 67 percent in California.

This is just a small sample of the information available from the report, which I hope you find a valuable resource. Even more information can be gleaned from the SNAP QC data upon which the report is based. This edited database is publicly available via the Department of Agriculture's website. The data also form the basis for one of the sophisticated SNAP microsimulation models FNS and Mathematica have worked together to develop. These models are designed to simulate the effected proposed policy changes on household eligibility and predicted participation and on SNAP benefit costs. These tools and the data they present can contribute to an understanding of how SNAP has been operating, and can provide a foundation for discussion and consideration of potential changes to the program.

Thank you.

[The prepared statement of Ms. Cunnyngham follows:]

PREPARED STATEMENT OF KAREN CUNNYNGHAM, SENIOR RESEARCHER, MATHEMATICA POLICY RESEARCH, WASHINGTON, D.C.

Thank you, Chairwoman Jackie Walorski, Ranking Member Jim McGovern, and Members of the Subcommittee on Nutrition for the opportunity to testify on the characteristics of the population served by the Supplemental Nutrition Assistance Program—also known as SNAP.

I am a senior researcher at Mathematica Policy Research and the director of a project that measures SNAP program access, trends, and impacts. As part of this project—which is conducted for the Food and Nutrition Service (FNS) at the United States Department of Agriculture—Mathematica develops and maintains SNAP microsimulation models; prepares the edited SNAP quality control (QC), data files; and produces reports on the characteristics of SNAP households.[1]

SNAP is a central component of the nation's nutrition safety net that serves a broad spectrum of the needy population. According to SNAP program operations data, SNAP provided benefits to 46.5 million people in an average month in Fiscal Year 2014, slightly down from 47.6 million people in an average month in Fiscal Year 2013. The average monthly benefit in Fiscal Year 2014 was also down to $125 per person from $133 per person in Fiscal Year 2013.

In this testimony, I describe a set of resources that Congress can use to gain a deeper understanding of the SNAP population. These include (1) Mathematica's new SNAP participation data visualization; (2) a series of reports we have produced for FNS on the characteristics of SNAP households; and, briefly, (3) the FNS data and computer models we use to simulate proposed changes to SNAP. I also use these tools to highlight information about SNAP eligibility standards and the characteristics of the SNAP population, both nationally and across states.

A Digital Exploration of SNAP

The characteristics of SNAP participants and households and their levels of participation in SNAP change over time in response to economic and demographic trends, as well as to legislative adjustments to program rules. Mathematica has developed a data visualization tool that presents complex data about the SNAP population in an intuitive, interactive format. Using this dynamic tool, researchers, policymakers, and other stakeholders can examine SNAP participation over time and across populations. They can also compare SNAP participation with other programs and economic trends. The tool aggregates SNAP data into three modules, two of which are particularly relevant to our testimony today:

- Users can compare SNAP participation and expenditures since 1969 with those for other government programs such as the National School Lunch Program, the Special Supplemental Program for Women, Infants, and Children, and Unemployment Compensation. Expenditures for both SNAP and Unemployment Compensation rose steeply from 2008 to 2009. Expenditures for SNAP continued to

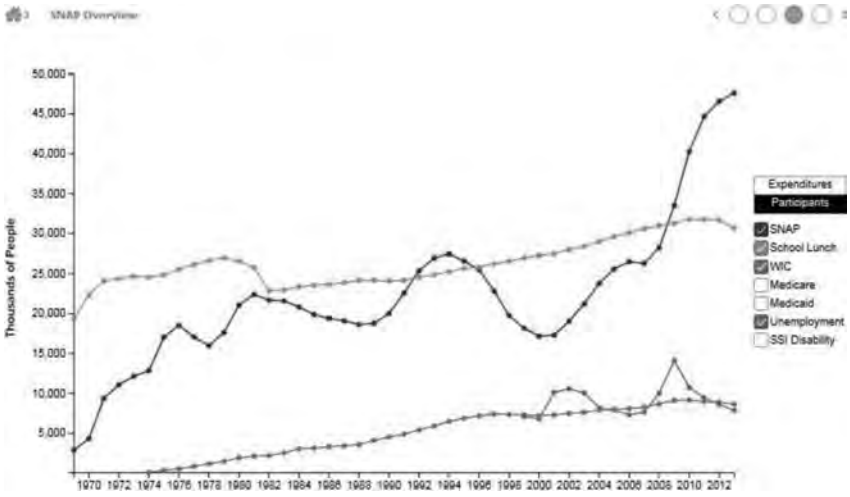
[1] Joshua Leftin is deputy director of the project and Kelsey Farson Gray authored the most recent report on SNAP household characteristics.

rise steeply for several years after 2009, while expenditures for Unemployment Compensation dropped sharply.

A Digital Exploration of the Supplemental Nutrition Assistance Program (SNAP)

Since it began more than 50 years ago, the Supplemental Nutrition Assistance Program (SNAP) has provided nutrition assistance to millions of low-income individuals and families nationwide. Mathematica Policy Research has studied nutrition policies and programs for more than 2 decades and, with funding from the Food and Nutrition Service, recently completed the largest-ever survey of SNAP participants on the topic of food security (defined as reliable access to enough food to lead an active, and healthy life). We put these findings into context in our new interactive tool, which provides an overview of SNAP, the results of our study, and SNAP participation and eligibility rates by state. Navigate through each module by clicking on a circle below. (This tool is best viewed in IE10+, Chrome, Mozilla.)

Participants and Expenditures of Government Programs Over Time



- In the SNAP participation module, users can compare poverty, SNAP eligibility, and SNAP participation across states. For instance, a comparison of states by the percentage of people with income under 200 percent of poverty can be contrasted with state estimates of the percentage of people who are eligible for SNAP. Clicking on a particular state provides an easy way to compare poverty, eligibility, and participation within the state.

Although not covered in my testimony today, a third module depicts findings from a recent Mathematica study that examined the relationship between SNAP participation and food security.[2] I encourage you to explore this tool and hope you find it useful in your examination of the SNAP population.

Reports on the Characteristics of SNAP Households

Another important resource is FNS' series of annual reports titled *Characteristics of Supplemental Nutrition Assistance Program Households,* which date back to 1976. These reports include a wealth of information about the program and current participants at both the national and state levels. I highlight some details about SNAP

[2] Mabli, James, Jim Ohls, Lisa Dragoset, Laura Castner, and Betsy Santos. "Measuring the Effect of Supplemental Nutrition Assistance Program (SNAP) Participation on Food Security." Prepared by Mathematica Policy Research for the U.S. Department of Agriculture, Food and Nutrition Service, August 2013.

eligibility standards and the SNAP population from the most recent report for Fiscal Year 2013 (Farson Gray 2014) in the narrative that follows.[3]

Federal SNAP Eligibility Standards. To be eligible for SNAP under the standard Federal rules, households without an elderly or disabled member must have a monthly gross income at or below 130 percent of the Federal poverty guideline and countable assets of no more than $2,250. Households with elderly or disabled members are exempt from the gross income limit and may have up to $3,250 in countable assets. All SNAP households must have a monthly net income at or below the Federal poverty guideline. Net income is calculated by subtracting from gross income a standard deduction as well as deductions for, among others, earned income, excess shelter expenses, and medical expenses—the latter of which is available only to households with elderly or disabled members.

Monthly income limits and the standard deduction vary by household size and location. Currently the gross income limit for a family of four in the contiguous United States is $2,584, the net income limit is $1,988, and the standard deduction is $165. The maximum deduction for excess shelter expenses in the contiguous United States for households without elderly or disabled members is $490.

Countable assets include most liquid resources and some non-liquid resources. Family homes and retirement and educational savings accounts are not counted toward the resource limit. Vehicles with very low equity and those meeting certain other specific criteria are also excluded from the resource test. For one vehicle per adult and per teenager driving to work or school, any fair market value in excess of $4,650 is counted toward the resource limit. Of the household's remaining vehicles, the higher of either any fair market value in excess of $4,650 or any equity is counted.

SNAP households in which all members receive SSI, Temporary Assistance for Needy Families (TANF), or General Assistance benefits are categorically eligible for SNAP and, therefore, not subject to the Federal income and resource limits. Benefits for these households are determined under the same rules that apply to other eligible SNAP households and are based on household income.

State SNAP Eligibility Options. In some instances, states are permitted to establish eligibility criteria that work best for their jurisdictions. For example, they may use vehicle rules for a TANF-funded program in place of SNAP rules, if they are less restrictive. For SNAP households that face an asset test, all but four states (Delaware, Minnesota, North Dakota, and Washington) and one territory (the Virgin Islands) have aligned their vehicle rules with those for another state program. Twenty-nine states and the District of Columbia have aligned their vehicle rules with programs that exclude all vehicles from the resource test.

States also have the option to confer categorical eligibility on additional households receiving benefits that are at least in part funded by TANF or Maintenance of Effort funds. States have flexibility in setting the criteria for receiving the TANF-funded noncash benefit, including establishing a gross income limit and either eliminating the resource test or establishing a higher resource limit. Forty states, the District of Columbia, Guam, and the Virgin Islands provide a noncash benefit to confer categorical eligibility on a large number of households. Of these, five states (Idaho, Michigan, Nebraska, Pennsylvania, and Texas) impose resource limits between $5,000 and $25,000, while the rest have eliminated the resource test. Fourteen states retained the Federal gross income limit for most households without an elderly or disabled member, 28 states or territories raised the gross income limit to between 160 percent and 200 percent of the Federal poverty limit for those households, and one state, New Hampshire, raised the gross income limit for households with a child age 21 or younger.

In some states, households participating in narrowly targeted, noncash TANF-funded programs, such as work support, child care, and other short-term assistance, may also be categorically eligible for SNAP.

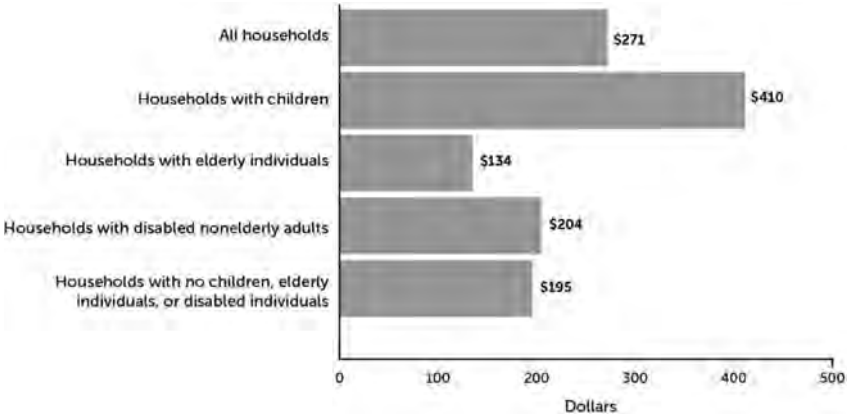
Benefit determination. After a household is certified for SNAP, its monthly benefit is computed by subtracting 30 percent of the household's net income from the maximum benefit amount to which it is entitled. Currently, the maximum monthly SNAP benefit for a family of four in the contiguous United States is $649. All eligible one-person and two-person households are guaranteed a minimum benefit, which is currently $16.

In Fiscal Year 2013, 41 percent of SNAP households received the maximum benefit and five percent received the minimum benefit. The average monthly SNAP benefit was $271. SNAP households with children received a relatively high average

[3] Farson Gray, Kelsey. "Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2013". Report submitted to the U.S. Department of Agriculture, Food and Nutrition Service. Washington, D.C.: Mathematica Policy Research, December 2014.

benefit of $410, while households with elderly individuals received a relatively low one of $134. One reason for the difference in average benefits is the difference in average household size: 3.2 people for SNAP households with children, compared with 1.3 people for households with elderly individuals. SNAP households that include a nonelderly adult with a disability had an average monthly SNAP benefit of $204 and households with no elderly individuals, individuals with disabilities, or children had an average benefit of $195.

Average SNAP Benefit



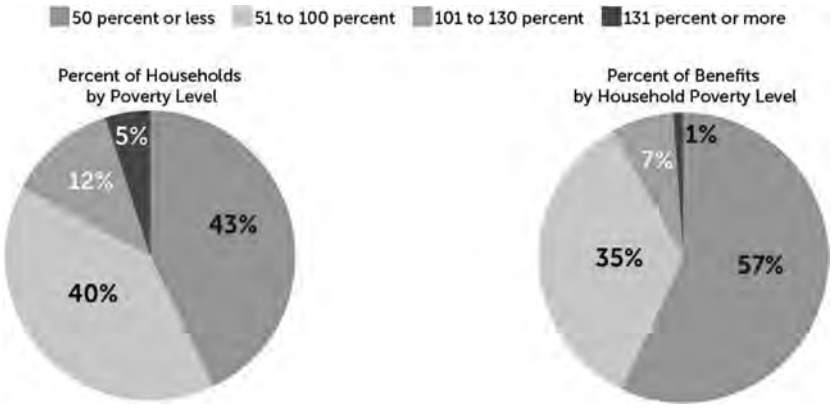
Note: These groups are not mutually exclusive.
Source: *Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2013* (Farson Gray 2014).

Nonfinancial Eligibility Standards. To be eligible for SNAP, individuals must also meet non-financial eligibility standards. For example, unauthorized immigrants, nonimmigrant visitors to the United States, and some lawful permanent resident noncitizens, are categorically ineligible for SNAP. However, lawful permanent resident noncitizens are potentially eligible for SNAP benefits if they (1) have lived legally in the United States for 5 years or more; (2) are children; (3) receive a government benefit because they are blind or have a disability; or (4) are members of the U.S. armed forces, are veterans, or are dependents of a service member or veteran. Noncitizens admitted as refugees are also potentially eligible for SNAP benefits for up to 7 years. The income and resources of ineligible noncitizens are considered in the eligibility determination of other SNAP household members. In Fiscal Year 2013, six percent of SNAP households contained a noncitizen and six percent contained a citizen child living with a nonparticipating noncitizen adult. (These groups are not mutually exclusive.)

In addition, nondisabled adults age 18 to 49 who are living in households without children can receive benefits only if they work or participate in qualifying work-related activities. These individuals can be exempt from the work requirements if they live in a waiver area or have been granted a discretionary exemption by the state. With certain exceptions, those not meeting work requirements are restricted to 3 months of SNAP benefits during any 36 month period. Approximately ten percent of all SNAP participants in Fiscal Year 2013 were nondisabled adults aged 18 to 49 who were living in households without children.

Poverty Status of SNAP Households. SNAP effectively targets benefits to the neediest households. In Fiscal Year 2013, 83 percent of SNAP households had gross monthly incomes at or below the Federal poverty guideline. Almost ½ (43 percent) of all SNAP households had gross monthly incomes at or below 50 percent of the poverty guideline. These households received 57 percent of all SNAP benefits. In contrast, only one percent of all benefits went to the five percent of SNAP households that had gross monthly income over 130 percent of the poverty guideline. More than ½ of these households contained an elderly person or a person with a disability and, thus, were not subject to gross income limits.

Gross Income as a Percentage of Poverty Guidelines



Source: *Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2013* (Farson Gray 2014).

SNAP Household Income. SNAP household income comes from a variety of sources, both earned and unearned. In Fiscal Year 2013, the average monthly gross income among all SNAP households was $758. Twenty-two percent of SNAP households had no gross income when they were certified or recertified for SNAP. Thirty-one percent had earned income and 57 percent had unearned income. Sources of unearned income included Social Security (received by 24 percent of SNAP households), SSI (20 percent), child support (9 percent), TANF (7 percent), and unemployment compensation (4 percent). After deductions, 39 percent of SNAP households had no net income and the vast majority of the remainder had net income under the Federal poverty guideline. After the standard deduction, the most prevalent deduction was for excess shelter costs, which was received by 72 percent of SNAP households.

SNAP Household Composition. Individuals who share a residential dwelling and customarily purchase and prepare food together are required to apply for SNAP together. Generally, individuals who live together but do not purchase and prepare food together may apply as separate SNAP households. However, spouses living together must apply together and parents must apply with their children (under age 22) who reside with them.

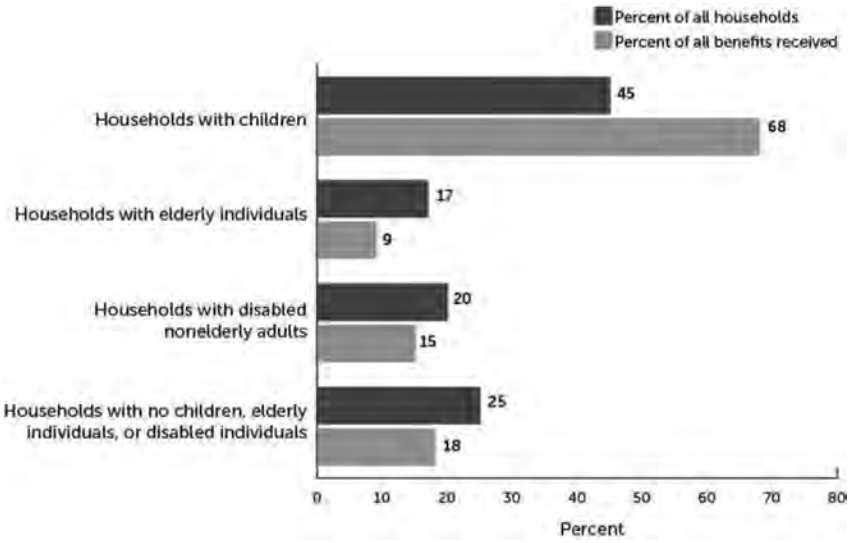
The average SNAP household size in Fiscal Year 2013 was just over two people. Fifty-one percent of SNAP households contained just one person. In over ½ of these households, the single person either had a disability or was elderly. At the other end of the spectrum, seven percent of SNAP households had five or more members.

In Fiscal Year 2013, 87 percent of SNAP participants lived in households with a child, an elderly person, or a person with a disability—representing 75 percent of all SNAP households. Other key facts about SNAP household demographics include the following:

- **Forty-five percent of SNAP households contained children.** These households received 68 percent of all SNAP benefits. The majority of households with children (57 percent) were single-adult households. This group accounted for 26 percent of all SNAP households.
- **Seventeen percent of SNAP households contained elderly individuals.** Eighty percent of these were single-person households. Seventy percent received Social Security income, 36 percent received SSI, and 86 percent received income from at least one of those two sources.
- **Twenty percent of SNAP households contained nonelderly individuals with disabilities.** Sixty percent of these households were single-person households. A majority (69 percent) received SSI and ½ (51 percent) received Social Security income.
- **Twenty-five percent of SNAP households contained no elderly individuals, individuals with disabilities, or children.** These households tended to be single-person households (91 percent), with 59 percent of them having no gross income.

- **Over 80 percent of SNAP households were in metropolitan areas.** Seven percent of SNAP households were in rural areas.

Household Composition and Benefits Received



Note: These groups are not mutually exclusive.

Source: *Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2013* (Farson Gray 2014).

State Comparisons of SNAP Households in FY 2013

The characteristics of SNAP households vary across states.[4] For example, at the national level, 17 percent of all SNAP households had incomes that were above the Federal poverty guideline. Across states, this percentage ranged from a low of nine percent in California and Mississippi to a high of 40 percent in Vermont. Similarly, while 43 percent of all SNAP households nationwide had monthly gross incomes that were less than or equal to 50 percent of the Federal poverty guideline, state-level percentages ranged from a low of 11 percent in Maine to a high of 46 percent in the Virgin Islands.

Average SNAP benefits reflect the average state net income and household size as well as the higher benefits issued in certain high-cost states and territories. Accordingly, the average SNAP benefit in Guam in Fiscal Year 2013 of $644 was substantially higher than in any other state or jurisdiction. Hawaii, Alaska, and the Virgin Islands also had higher average benefits of $423, $411, and $392, respectively, than any of the 48 contiguous states. Oregon had the lowest average SNAP benefit with $223, followed by Massachusetts, Maine, and Vermont, which each averaged $230.

The demographic characteristics of SNAP households also varied by state and territory. The percentage of SNAP households with children ranged from a low of 34 percent in Oregon and Connecticut to a high of 68 percent in Guam. The percentage of SNAP households with elderly members ranged from seven percent in California, where SSI participants do not receive regular SNAP benefits, to 28 percent in New York. Texas had the lowest percentage of nondisabled adults aged 18 to 49 living in childless households with seven percent, while Oregon had the highest percentage at 30 percent.

SNAP QC Database and SNAP Microsimulation Models

Mathematica's data visualization tool and the SNAP characteristics report are just two of the resources available to policymakers who strive to understand more about the program and its participants. For instance, while the FNS report includes a vast amount of additional information on the characteristics of SNAP households,

[4] In this section, "states" refers to the District of Columbia, Guam, and the Virgin Islands as well as the 50 states.

even more information can be gleaned from the database on which the report is based—the SNAP QC database. It is an edited version of the data generated by SNAP's Quality Control System, and the database contains detailed demographic, economic, and SNAP eligibility information for a nationally representative sample of approximately 50,000 SNAP households. The data are edited to ensure consistent measures of SNAP household size, income, deductions, and benefit level. The file is weighted to match adjusted SNAP program operations data for SNAP households, participants, and benefits issued by month and state. The program operations data are adjusted to remove benefits issued in error or in response to a disaster because these cases are not included in the SNAP QC database. The adjusted total number of SNAP households and benefits is lower than program operations data by about one percent and two percent, respectively. The edited SNAP QC database is publicly available via the Department of Agriculture's website,[5] along with documentation describing the data editing process and containing a codebook.[6]

Another resource is the set of sophisticated SNAP microsimulation models FNS and Mathematica have worked together to develop. These models are designed to simulate the effect of various proposed policy changes to the program on SNAP household eligibility status, benefit amount, and predicted participation decision. Specifically, SNAP microsimulation models are used to answer key policy questions, including the following:

- How many households and individuals are eligible for SNAP benefits under current rules?
- How would the number of eligible households and individuals change if program design parameters—such as income eligibility limits, asset limits, maximum benefits, or allowable deductions—were changed?
- How would such changes affect estimated participation levels and program costs?
- What effect would such changes have on different subgroups of participants, such as elderly individuals or workers?

One of FNS' microsimulation models is based on the SNAP QC database. Another model uses data from the Survey of Income and Program Participation and incorporates data from the Current Population Survey Annual Survey of Economic Characteristics. Because microsimulation models measure differences in eligible households, participating households, and benefit amounts between the current program and the program under the simulated policy change, they can provide policymakers with valuable insights about the potential impacts of program changes.

Taken together, these resources support evidence-based policy making through rigorous research, high-quality data, and objective analysis to help inform decision making for the future of the SNAP program.

The CHAIRWOMAN. Thank you, Ms. Cunnyngham.

Dr. Mills, please proceed with your testimony.

STATEMENT OF GREGORY B. MILLS, PH.D., SENIOR FELLOW, URBAN INSTITUTE, WASHINGTON, D.C.

Dr. MILLS. Good afternoon, Madam Chair, and Members of the Subcommittee. My name is Greg Mills and I am a Senior Fellow at the Urban Institute, a nonprofit research organization focused on social and economic policy. I thank you for this opportunity to describe our recent study on participant churning in SNAP. We conducted this research for the Food and Nutrition Service. Any views I express are my own as project director, and should not be attributed to the Urban Institute, its trustees or its funders.

Churn occurs when a household receiving SNAP exits the program, and then reenters within 4 months or less, as defined by FNS for this research. Some churn is expected, as when a family

[5] *http://www.ers.usda.gov/topics/food-nutrition-assistance/food-nutrition-assistance-research/extramural-research/national-data-sets.aspx*

[6] Filion, Kai, Esa Eslami, Katherine Bencio, and Bruce Schechter. "Technical Documentation for the Fiscal Year 2013 Supplemental Nutrition Assistance Program Quality Control Database and QC Minimodel". Final report submitted to the U.S. Department of Agriculture, Food and Nutrition Service. Washington, D.C.: Mathematica Policy Research, October 2014.

briefly becomes ineligible through a temporary increase in earnings. Churn is a serious concern, however, when the cut-off in benefits occurs for households that remain eligible, and especially for households with children or elderly or disabled members, which includes about ⅔ of churners.

I will first highlight our major findings, and then turn to policy implications. The six states that participated in this study; Florida, Idaho, Illinois, Maryland, Texas and Virginia, all provided detailed program data. The rates of SNAP churn for these states in Fiscal Year 2011 ranged from 17 to 28 percent. These estimates indicate the percentage of households receiving SNAP benefits at any time during that year, who experienced at least one churn spell, that is, a break in participation of 4 months or less. The causes of churn are complex. Fluctuations in the earnings of SNAP recipients appear to play only a limited role. In these scenarios of exit and reentry related to job gains and losses, the program is functioning as it should.

The much larger story, however, relates to the process. Recipients experience difficulties with required procedures in periodic recertifications of their eligibility, or when they are to submit an interim report on household changes. Based on our focus groups with churners, the difficulties appear to stem from three types of factors. First, changes in household circumstances such as a move, a car breakdown, or some other disruption that caused a recipient to miss a deadline. Second, challenging personal characteristics relating to physical or mental health, literacy or language proficiency. Third, a lack of clarity in agency notices sent to clients, or the failure of those notices to reach the client.

Churn has financial consequences for both agencies and households. Agencies incur additional administrative cost to the extent that the case requires a new application involving two to three times as much case worker effort as a recertification. Households lose benefits to the extent that they remained eligible during their churn spell. The foregone benefits, although a small percentage of a state's annual benefit payments can cause significant hardship for the affected clients. The added agency costs, about two percent of annual administrative costs in the program, represent potential budgetary savings.

So what are some of the key underlying patterns of churn in the states we studied? Two-thirds or more of churners are off the program for 1 month or less. For a similarly high proportion of churning households, the exit occurs at a schedule recertification or interim report. About ½ of all households that churn appear eligible for SNAP while off the program, and thus, experienced a loss of benefits. Churners are much more likely than other recipients to have moved within state to a new ZIP Code. Households with elderly or disabled members are more likely than others to churn, when one focuses specifically on households coming due for recertification.

In closing, I will now turn to some policy implications. Our evidence suggests that SNAP churn had adverse consequences to both agencies and households that are sufficient to warrant policy action. A lower rate of churn is clearly a desirable goal. It represents an improvement in benefit access and service quality for recipients.

Any program changes, however, will need to balance improved benefit access with maintaining program integrity and containing budgetary cost.

In each of the six states, we asked local SNAP administrators and caseworkers to indicate what aspects of the program can reduce churn based on their experience. Here are four of their ideas. First, align a household's recertification dates for SNAP, TANF and Medicaid. Second, eliminate the requirement for a face-to-face interview at recertification. Third, use agency call centers to handle routine client communications. And fourth, for clients unable to provide requested documentation, allow a 30 day grace period during which their benefits could be renewed without a complete reapplication. These are relatively straightforward procedural improvements that many states have implemented, and that others could be encouraged to adopt. Unlike more basic changes in program eligibility rules, these actions would not require difficult tradeoffs between access, integrity and cost. This study provides the systematic evidence needed to consider such steps.

Thank you very much.

[The prepared statement of Dr. Mills follows:]

PREPARED STATEMENT OF GREGORY B. MILLS, PH.D., SENIOR FELLOW, URBAN INSTITUTE, WASHINGTON, D.C.*

Understanding the Rates, Causes, and Costs of Churning in the Supplemental Nutrition Assistance Program (SNAP)

Good afternoon, Madam Chair and Members of the Subcommittee. My name is Greg Mills, and I am a Senior Fellow at the Urban Institute, a nonprofit research organization focused on social and economic policy. It is an honor to appear before you to testify about research we have recently completed on participant churning in the Supplemental Nutrition Assistance Program, or SNAP. This research was conducted under contract to the Food and Nutrition Service (FNS) of the U.S. Department of Agriculture. The Urban Institute has a long history of policy research for FNS and other Federal agencies on the effectiveness of program benefits and services to low-income households. This work includes extensive research relating to food and nutrition policy, with many studies focusing on SNAP (formerly Food Stamps). I have been the project director of the 3 year study I will describe for you today.

This study examines the rates, causes, and costs of participant churn in SNAP. Churn occurs when a household receiving SNAP exits the program and then re-enters within 4 months or less, as defined by FNS for this research. Some churn is to be expected—as when a temporary increase in earnings makes a family briefly ineligible for assistance. Churn presents a policy concern, however, when benefits are disrupted for households who were continuously eligible. In these situations families lose benefits while off the program, with added time and expense involved in re-entering. Budgetarily, the pattern of case closings and reopenings brings higher state and Federal administrative costs. Importantly, about half of the households who churn are families with children whose food security is placed at risk.

Six states participated in the study: Florida, Idaho, Illinois, Maryland, Texas, and Virginia. To enable a systematic analysis of churn rates and patterns and the associated forgone benefits among churners, each state provided administrative datasets with detailed information on households participating in SNAP over the period December 2009 through December 2012. Additionally, data from employer-reported wage records in Florida were used to examine the role of earnings fluctuations among SNAP participants as a factor leading to churn. To explore in greater detail the process of churn and its possible causes, our research team conducted site visits to one local office in each state. Team members interviewed SNAP administrators and caseworkers and representatives of community-based organizations (CBOs); members also conducted focus groups with SNAP clients who had recently churned.

*The views expressed are those of the author and should not be attributed to the Urban Institute, its trustees, or its funders.

To support an analysis of the costs associated with churn, the team obtained from FNS the quarterly financial forms that the six states had submitted, as with all other states, in reporting their program administrative costs.

Before providing any further details on the research, I first want to highlight our major findings, as follows:

Estimated rates of churn across the six participating states range from 17 to 28 percent for FY 2011. This represents the percentage of SNAP cases active at any time during that year that experienced at least one churn spell—that is, a break in participation of 4 months or less.

The causes of churn are complex. Fluctuations in the earnings of SNAP recipients appear to play only a limited role. In those situations, a new job or increased hours at work may properly lead to a cutoff in benefits, as the household becomes ineligible (or may believe they're ineligible or that they can get by without the program). But if this former recipient then loses the new job, or comes to realize that they're unable to make ends meet off the program, they may reapply within several months.

The much larger story, however, is that procedural difficulties experienced by participants cause churn. These problems typically occur at the point of a periodic agency recertification of the household's eligibility or when the recipient is to submit a required interim report on household changes that might affect their monthly benefit. Procedural difficulties appear to stem from a combination of interrelated factors:

- Changes in household circumstances other than earnings, such as a move or a change in the number of individuals living and eating together in the household.
- Challenging personal characteristics and stressors, relating to physical or mental health, literacy, or language proficiency.
- Lack of clarity in agency notices sent to clients or the failure of those notices to reach the client.

Churn has financial consequences to both agencies and clients. Agencies incur additional administrative costs, as re-openings require a new application, involving two to three times as much caseworker effort as a recertification. Clients lose benefits to the extent that churners have remained benefit-eligible during their churn spell. These estimated effects are small in proportional terms, in the range of one to five percent of annual administrative costs or annual benefit payments. The forgone benefits do, however, cause significant hardship for the affected clients.

The added agency costs represent a potential saving of both Federal and state administrative costs, if churn can be reduced.

I'll now provide additional detail on the research, focusing on the following four areas: first, on the rates and patterns of churn; second, on staff, client, and community perspectives on churn; third, on specific household characteristics and circumstances associated with churn; and fourth, on the financial consequences of churn, in costs to agencies and in benefits lost to clients. I will then turn to the implications of this research for program policy.

How do the rates and patterns of churn differ by state?

- As shown in *Figure 1,* the estimated rates of churn for Fiscal Year (FY) 2011, ranging from 17 to 28 percent across the six states, are based on analysis of state-provided case-level SNAP participation data. The annual rate of churn is the number of households experiencing a churn spell that occurred wholly or partly within the year as a percentage of all households receiving SNAP benefits at any time during the year.
- Most churners (from 62 to 79 percent by state) are off the program for 1 month or less. See *Table 1.* More detailed analysis in three of these states indicates that ⅓ or more of all churners are off the program *for less than* 1 month.
- For a very high proportion of churning households (ranging by state from 66 to 90 percent), the precipitating exit occurs at the time of a scheduled recertification or a required interim report. See *Figure 2.*
- Approximately ⅓ to ½ of all households that churn (from 33 to 53 percent among the states) were likely benefit-eligible while off the program, and thus experienced a loss of benefits they were entitled to receive. See *Table 2.* This is based on their case not having been closed for a specific reason of ineligibility, with no change in their household composition and little or no change in their

income between exit and re-entry. Those off the program for 1 month or less are somewhat more likely than other churners to have been benefit-eligible.

What are the perspectives on SNAP churn among clients, agencies, and community-based organizations?

- SNAP clients who have recently churned indicated in focus groups that they experienced a great deal of anxiety when they lost their SNAP benefits, even if for a short period, as the benefit loss was unexpected. Some clients first became aware that their benefits had been stopped when they were attempting to purchase groceries.
- In addition to experiencing food insecurity, the loss of benefits led to broader financial insecurity for SNAP churners. In having to commit more of their scarce income for food, churners were less able to pay important bills such as their utilities or rent.
- Churn sometimes occurred when SNAP clients got a new job that was lost quickly owing to illness or lack of child care. In related instances, churn occurred when the household's income went up for short period because of seasonal employment or overtime pay.
- Procedural issues often led to churn. The most frequently cited example was nonresponse to a recertification notice. Sometimes a SNAP client simply did not receive the notice because it was sent to the wrong address or the client never informed the agency of an address change. Other times, clients never responded because they were experiencing personal difficulties, they did not understand the notice, they were unable to use the online resources, or they were unable to respond in person because of transportation issues.
- SNAP workers and CBO representatives described changes in policy or procedure that they believed could reduce churn. These steps were generally aimed at either reducing the client burden at recertification or providing more responsive customer service.

What specific household characteristics and circumstances are associated with churning?

- The types of SNAP households more likely to churn within a given year are those with household heads who are younger or black, with more members, and with neither elderly, disabled, nor child members, all other things equal.
- Regarding the presence of income, the households at greatest risk of churn are those with gross income above 100 percent of the poverty level and those with no earned or unearned income at all. These two distinct high-risk groups suggest very different storylines for churners: one that involves gaining more income and leaving SNAP because of benefit ineligibility (or perceived ineligibility) and one that involves leaving SNAP as a result of procedural noncompliance, stemming from challenging individual and household circumstances and complicating aspects of the recertification process or required interim reports.
- Pre- and post-churn earnings patterns as shown in SNAP case records and as reported by employers in quarterly wage data (available for this study only in Florida) provide little indication that changes in earnings are a significant cause of churn, particularly among those who churn for 1 month or less.
- Although local-area characteristics appear to have small effects on churn, households are more likely to churn if their area has more per-capita community food providers (such as food pantries). These may be high-poverty areas where both clients and agencies are challenged to keep pace with required reporting, notices, and casework.
- Compared to non-churners, households that churn tend to have experienced changes in circumstances that could affect their ability to recertify. For instance, churners are much more likely than non-churners to have moved within state to a new ZIP Code before a recertification. (Out-of-state moves were not observable in the data.) The disruption of moving may make it more difficult to comply with recertification procedures. Or, participants who move may be less likely to receive notice of an upcoming recertification, as they may not have reported their address change to the SNAP office (or did so, but the agency did not act on the change).
- Other changes associated with churn at recertification include changes in household composition, employment, and earnings. All these factors could affect benefit eligibility, but the low gross earnings amounts indicated in the SNAP case records suggest that household instability (*versus* ineligibility) plays a key role in churn. With respect to household composition, any change (upward or

downward) in household size (number of adults or children) increases the likelihood of churn.

- Households with elderly or disabled members are less likely than others to churn within the ensuing year, as their longer certification periods make them less likely than others to face a recertification or required interim report in the upcoming 12 months. When one focuses specifically on households coming due for recertification, households with elderly or disabled members are more likely than others to churn. This pattern suggests that improvements to the recertification process itself (rather than any further lengthening of their certification periods) are needed for such cases.

What costs are associated with churn, for both agencies and clients?

- Churn imposes costs both to program clients and to agencies administering the program. For agencies, churn increases costs by requiring agencies to process additional applications from households reentering the program. For clients, costs include the loss of benefits that they otherwise would have received, the administrative burdens involved in the steps taken to reenter the program, and other burdens related to coping during the period without benefits.
- Churn imposes added certification costs because reapplications for households returning to the program take more staff time than recertifications. Staff interview responses suggest that the reapplication procedures for churners at reentry are essentially the same as for an initial application for benefits. The time required to process the reapplication is typically two to three times as much as a recertification or interim report. One thus expects that churn would lead to a net increase in the staff time spent on certification-related activities.
- On average among the six states, the certification costs associated with churn are approximately $80 for each instance of churn requiring a full reapplication. This amount varies widely among states, from less than $30 to more than $130. These estimates are based on analysis of statewide administrative cost data and churn spells identified using administrative datasets, and they reflect the assumption that a full reapplication is twice as costly as a recertification. Higher estimates of the added costs of churn result if one assumes that a reapplication is three times the cost of a recertification.
- The added annual certification costs associated with churn range from $0.1 million in Idaho to $6.0 million in Illinois, equaling an estimated one to four percent of total certification costs in the states studied. To derive these estimates, we applied the certification cost per instance of churn to the number of instances of churn in each state for households considered likely benefit-eligible and where churn appears to have led to a full reapplication.
- Churn also leads to a partial cost offset through a reduction in case maintenance costs. This is associated with the time spent off the program by churning households that are classified as likely benefit-eligible. When combined with the added certification costs, the estimated net administrative costs of churn for states range annually from $0.1 million in Idaho to $3.9 million in Illinois.
- The annual amount of SNAP benefits forgone by households that churn ranges from $2.2 million in Idaho to $108.2 million in Florida. These estimates assign a benefit loss only to those households considered likely benefit-eligible during their churn spell.
- Other notable costs to churning households are not included in the above estimate of forgone benefits. Households who churn must devote time and effort to reapply for SNAP benefits or otherwise rectify the situation that led to their case closure. They also face material hardship when they do not receive SNAP benefits, relating not only to shortages of food but also to housing insecurity (which can occur when rent money must be used for food), an inability to meet other basic expenses, and a general increase in anxiety and stress. In addition, some of the steps that they take to cope with the loss of benefits involve out-of-pocket costs, such as the travel cost to food pantries.

Policy Implications

The quantitative and qualitative evidence examined in this research suggests that SNAP churn has adverse consequences to agencies and clients that are sufficient to warrant consideration of actions to reduce churn. One should recognize that some amount of churn is unavoidable in light of fluctuating circumstances among low-income households. Decisions on whether to adopt changes in program policy or administrative procedure to reduce churn will involve trade-offs among multiple objectives: program integrity, benefit access, and budgetary cost. A lower rate of churn

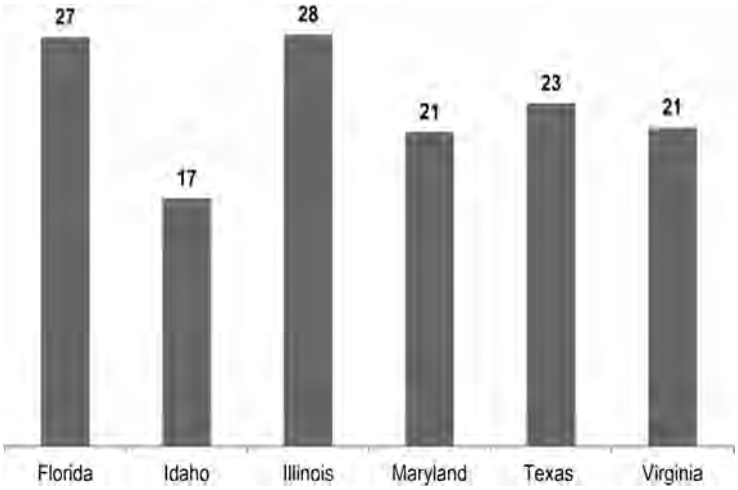
is clearly a desirable goal; it represents an improvement in benefit access and service quality for program clients. A lower churn rate may be very difficult to achieve, however, without some risk of compromising other objectives, such as maintaining low error rates and keeping total program costs within budget constraints. The information in this study is a first step in providing the systematic evidence needed to inform such choices.

The perspectives of local SNAP administrators and caseworkers are noteworthy, as they were asked to comment on aspects of program and policy that can reduce churn, based on their experience. Here were some of the factors they cited as enabling them to prevent churn:

- Align the recertification dates for SNAP, TANF, and Medicaid. A SNAP client receiving multiple benefits then faces fewer recertification deadlines over the course of a year.
- Eliminate the requirement for a face-to-face interview at recertification. As permitted under state option, clients can be interviewed by telephone or by designated community-based organizations (such as food banks) rather than having to visit the SNAP office.
- Use call centers to handle routine client communications with the agency. This enables clients to notify the agency of an address change, to clarify information provided in a written notice from the agency, and to inquire about the status of a pending recertification, including whether the agency is awaiting documentation from the client.
- Allow clients a "30 day grace period" for failing to provide required documentation at recertification or an interim report (as allowed at state option under a "break-in-service" or "re-instatement of eligibility" waiver from FNS). If clients miss a deadline, they are allowed 30 additional days to submit documentation without having to go through a complete reapplication to renew their benefits. At a minimum, this would reduce the agency administrative costs and client burden associated with restoring benefits.

We were unable to assess the impact of such program changes on rates of churn, as the study states did not provide opportunities for before-and-after measurement. However, these are relatively straightforward procedural improvements that many states have implemented and that, unlike more basic changes in program eligibility rules, would not require difficult tradeoffs on matters of integrity, access, and cost.

Figure 1. Rate of Churn by State, FY 2011 (%)



Source: Urban Institute tabulations of state administrative data for FY 2011.

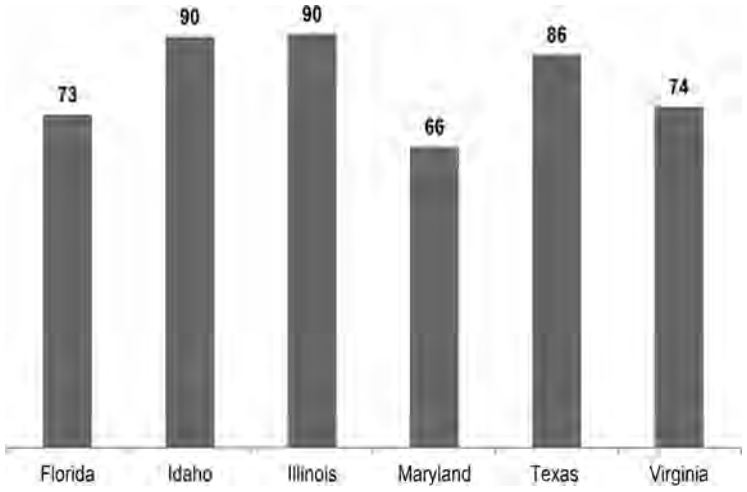
Note: The rate of churn is the percentage of households receiving SNAP benefits at any time during the year who experienced at least one break in participation of 4 months or less that started and/or ended during the year.

Table 1. Distribution of Churners by Months off SNAP, FY 2011

State	Churners by months off SNAP (%)			
	One month or less	Two months	Three months	Four months
Florida	74	11	8	7
Idaho	62	15	12	11
Illinois	67	19	8	6
Maryland	68	15	9	8
Texas	79	10	7	5
Virginia	77	9	7	6

Source: Urban Institute tabulations of state administrative data for FY 2011.

Figure 2. Among Cases that Churn, Percentage that Churn at Recertification or Required Interim Report



Source: Urban Institute tabulations of state administrative data for FY 2011.

Table 2. Distribution of Churners by Likely SNAP Benefit Eligibility During Time Off SNAP: All Churners and Churners with One Month or Less off SNAP, FY 2011

State	All churners (%)				Churn spell of 1 month or less (%)			
	Likely benefit-eligible	Likely benefit-ineligible	Indeterminate eligibility	Total	Likely benefit-eligible	Likely benefit-ineligible	Indeterminate eligibility	Total
Florida	50	5	45	100	56	4	41	100
Idaho	34	17	49	100	43	10	47	100
Illinois	48	0	51	100	52	1	48	100
Maryland	46	4	50	100	51	4	45	100
Texas	33	7	60	100	36	5	59	100
Virginia	53	7	40	100	60	3	38	100

Source: Urban Institute tabulations of state administrative data for FY 2011.
Notes: Likely benefit-ineligible individuals are rarely identified in Illinois due to missing information for most cases on the reason for closure.

The CHAIRWOMAN. Thank you, Dr. Mills.
Dr. Ziliak, please proceed with your testimony.

STATEMENT OF JAMES P. ZILIAK, PH.D., FOUNDING DIRECTOR, CENTER FOR POVERTY RESEARCH; PROFESSOR AND CAROL MARTIN GATTON ENDOWED CHAIR IN MICROECONOMICS, DEPARTMENT OF ECONOMICS, UNIVERSITY OF KENTUCKY, LEXINGTON, KY

Dr. ZILIAK. Madam Chair, Ranking Member McGovern, and Members of the Subcommittee, thank you for the opportunity to appear before you today.

My name is James Ziliak, I hold the Carol Martin Gatton Endowed Chair in Microeconomics at the University of Kentucky, where I am also Founding Director of the Center for Poverty Research. For the past 2 decades, I have conducted and published peer-reviewed research on the U.S. safety net, including SNAP and its predecessor, the Food Stamp Program. My testimony today draws from my research on changes in SNAP participation that can be found in a forthcoming book I am co-editing at Stanford University Press entitled, *SNAP Matters: How Food Stamps Affect Health and Well Being*.

SNAP has become a central component of the social safety net in the U.S. Today, one in seven Americans receive assistance from SNAP at a cost of $75 billion, making it the second largest means-tested transfer program in terms of cost, after Medicaid. From Fiscal Year 2000 to Fiscal Year 2012, the number of participants increased 171 percent and inflation-adjusted spending by 286 percent. What accounts for this growth? As I demonstrate in my research, the weak U.S. economy reflected by higher unemployment, lower incomes, and higher income inequality was the main reason the number of Americans on SNAP grew since 2000.

That SNAP is highly responsive to changes in the macroeconomy shows that it functions effectively and efficiently as a key anti-recessionary policy tool. That is, as incomes fall during a recession, participation in SNAP rises to bolster food consumption for children and adults. This past decade of near-uninterrupted growth in participation is unprecedented in the program's history. By most measures, the recession of 2001 was mild, and past experience would have dictated a decline of participation in the mid-2000s. This did not happen.

The increase in SNAP in the middle of the decade stemmed in part from stagnant household incomes, and a continued widening of the distribution of income, making it increasingly difficult for low income workers to make ends meet. Participation then accelerated with the onset of the Great Recession as millions of Americans lost work. But another important factor that led to the growth in participation since 2000 was changes in Federal and state SNAP policy that improved program access and delivery to needy Americans. In the aftermath of the 1996 welfare reform and concurrent expansions of the Earned Income Tax Credit, scores of former welfare recipients entered the labor force, and even though many remained eligible for food stamps, they left that program as well, potentially exposing them and their children to heightened food insecurity. The policy reforms, including the 2002 Farm Bill, were de-

signed to counteract the declining participation among eligibles, in part, to foster the transition from welfare to work for former AFDC recipients. The reforms conferred greater flexibility to states to improve program take-up and administration, and they worked.

During the same period, there were countervailing demographic forces on the SNAP caseload. America is aging, and given that seniors are much less likely to participate in SNAP, this puts downward pressure on growth. Moreover, in recent decades, increasing numbers of Americans matriculated from high school and college, and since higher education leads to higher incomes, more educated population also leads to lower SNAP use. On the other hand, more children are raised in single or multigenerational households, who tend to be more poor and more likely to need assistance. Additionally, there has been a rise in disability which also puts upward pressure on SNAP. Combined, however, my research shows that the changing demographics of the American household have actually helped to keep the growth of SNAP in check.

At the same time, these changing demographic forces have led to a changing composition in SNAP households. While the majority of recipients continue to be children, seniors and the disabled, that is, those persons not expected to work, SNAP has increasingly evolved into a work support for households whose head works full-year, has at least some college education, and lives in a household with annual incomes in near poverty.

In conclusion, SNAP is operating to combat hunger and poverty during periods of economic hardship as Congress intended. It is the second most effective antipoverty program in our safety net for the nonelderly, behind EITC, and is more effective than the EITC at lifting families out of deep poverty. Even though the program is at record highs in terms of participation and cost, it is also functioning more efficiently than ever with record low error rates and benefit determination, having fallen by over 45 percent in the last decade alone. SNAP matters more than ever in the safety net.

Thank you very much.

[The prepared statement of Dr. Ziliak follows:]

PREPARED STATEMENT OF JAMES P. ZILIAK, PH.D., FOUNDING DIRECTOR, CENTER FOR POVERTY RESEARCH; PROFESSOR AND CAROL MARTIN GATTON ENDOWED CHAIR IN MICROECONOMICS, DEPARTMENT OF ECONOMICS, UNIVERSITY OF KENTUCKY, LEXINGTON, KY

Understanding the Growth of SNAP

Chairwoman Walorski, Ranking Member McGovern, and Members of the Subcommittee on Nutrition, I thank you for the opportunity to appear before you today to discuss the Supplemental Nutrition Assistance Program (SNAP). My name is James Ziliak. I hold the Carol Martin Gatton Endowed Chair in Microeconomics at the University of Kentucky, where I am also the Founding Director of the Center for Poverty Research. The Center is a nonpartisan, nonprofit research organization housed within the Gatton College of Business and Economics at the University of Kentucky. For the past 2 decades I have conducted and published peer-reviewed research on the U.S. safety net, including SNAP and its predecessor, the Food Stamp Program. I recently served as a member of the Institute of Medicine's *Committee on Examination of the Adequacy of Food Resources and SNAP Allotments,* and as Chair of the National Academies of Science, Committee on National Statistics *Workshop on Research Gaps and Opportunities on the Causes and Consequences of Child Hunger*. I edited the books *Welfare Reform and its Long Term Consequences for America's Poor* (Cambridge University Press, 2009) and *Appalachian Legacy: Economic Opportunity after the War on Poverty* (Brookings Institution Press, 2012). I am also co-editor of *Income Volatility and Food Assistance in the United States*

(W.E. Upjohn Institute, 2008) and the forthcoming book *SNAP Matters: How Food Stamps Affect Health and Well Being* (Stanford University Press, 2015).

My testimony today draws primarily from my research on changes in SNAP participation, but also touches upon some of the results from the other contributors in the forthcoming book *SNAP Matters.*[1] Collectively, the book explores how and why the program has grown over time; how it impacts the well-being of participants; and its interconnections with the broader safety net. Key findings of the book include:

- SNAP is highly responsive to macroeconomic pressures as well as to state policy choices intended to enhance access among low-income households, helping families to provide food in times of economic need.
- SNAP has become one of the most effective antipoverty programs overall, especially at lifting non-elderly households with children out of deep poverty.
- SNAP is well integrated with the broader safety net, including children's access to school meals, and filling in residual gaps remaining after other forms of assistance.
- Higher SNAP benefits reduce the risk of food insecurity.
- SNAP does not appear to contribute to obesity.
- SNAP has long-term benefits on health.
- Most SNAP recipients spend more on food than their benefit amount over the course of a year, suggesting that benefits are not distorting food choices, including toward purchases of items like sugar-sweetened beverages.

Below I elaborate on these findings, and consistent with the theme of this hearing, I place a particular emphasis on understanding changes in SNAP participation over time, where I argue that the weak U.S. economy—as reflected by higher unemployment, lower incomes, and higher income inequality—was the main reason the number of Americans on SNAP grew since 2000.

Why are so many Americans on SNAP?

SNAP has become a central component of the social safety net in the United States. Today, one in seven Americans receive assistance from SNAP at a cost approaching $80 billion, making it the second largest means-tested transfer program in terms of cost after Medicaid. From FY 2000–FY 2012 the number of participants increased 171 percent and inflation-adjusted spending by 286 percent. What accounts for this growth? In my research I use data from the Annual Social and Economic Supplement of the Current Population Survey spanning 1980–2011 to examine the influence of the economy, both cyclical forces from the labor market and secular trends in income inequality; changes in Federal and state policies, both directly affecting SNAP and those indirectly affecting SNAP such as welfare reform and the Earned Income Tax Credit; and the changing demographics of the American household.

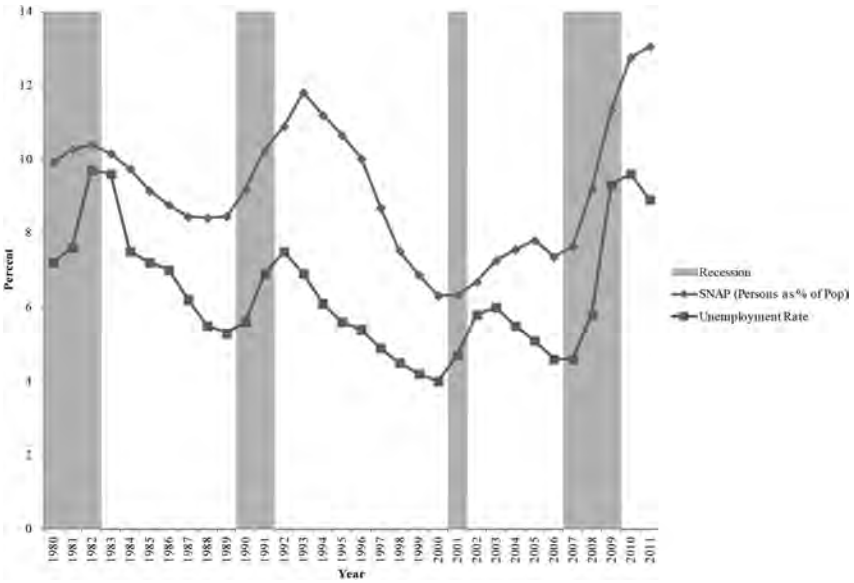
Nearly 50 percent of the growth in SNAP after the onset of the Great Recession in 2007 was due to the weak economy and widening inequality. The economy explained an equally robust 45 percent of the growth in SNAP after 2000.

That SNAP is highly responsive to changes in the macroeconomy shows that SNAP functions effectively and efficiently as a key anti-recessionary policy tool. That is, as incomes fall during a recession, participation in SNAP rises to bolster food consumption of children and adults. This is made transparent in *Figure 1,* which depicts changes in the fraction of persons on SNAP since 1980 along with changes in the unemployment rate. The gray shaded regions identify years that contain an economic recession as determined by the independent National Bureau of Economic Research. *Figure 1* shows the buoyancy of the caseload with the business cycle, especially from 1980 to 1999, with participation rising during recessions and declining during expansions. However, the past decade of near uninterrupted growth in participation is unprecedented in the program's history. By most measures the recession of 2001 was mild, and with declining unemployment in the aftermath of the recession, past experience would have dictated a decline in participation in the mid 2000s. This did not happen. Participation then accelerated with the onset of the Great Recession as millions of Americans lost work.

---

[1] Ziliak, James P. 2015. "Why Are So Many Americans on Food Stamps? The Role of the Economy, Policy, and Demographics," In *SNAP Matters: How Food Stamps Affect Health and Well Being,* J. Bartfeld, C. Gundersen, T. Smeeding, and J. Ziliak, editors, Redwood City, CA: Stanford University Press.

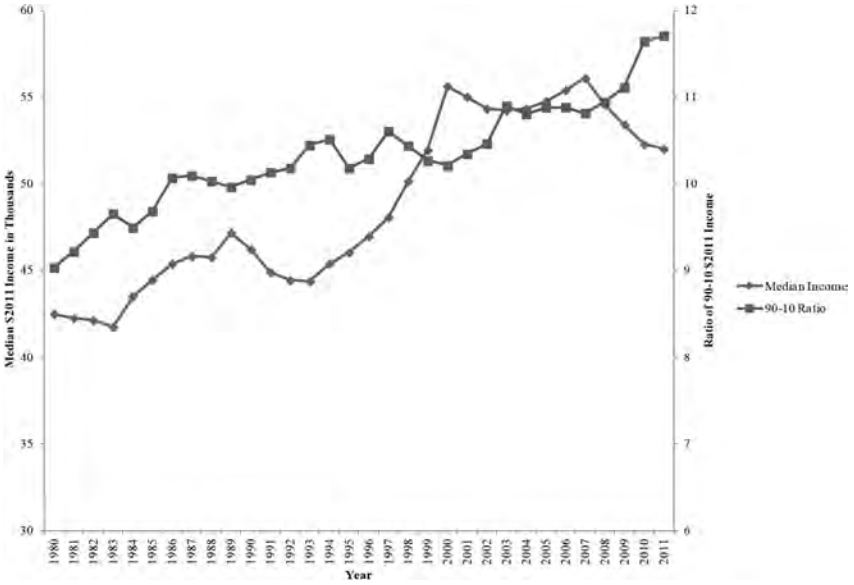
Figure 1: Trends in SNAP Participation and Unemployment Rate



Source: Author's calculations using CPS ASEC and BLS data.

Part of the reason that SNAP participation continued to increase in the mid 2000s stemmed from stagnant household incomes and a widening distribution of income, which made it increasingly difficult for low-income workers to make ends meet. These trends are seen in *Figure 2,* which depicts inflation-adjusted median household income is used to signify how a "typical" household is faring, and the ratio of persons in the 90th percentile of incomes to persons in the 10th percentile, which is a standard measure of inequality. That is, households above the 90th percentile are in the "Top 10 percent" and households below the 10th percentile are in the "Bottom 10 percent." The figure shows real incomes fell for much of period since 2000, and there was a sharp uptick in inequality.

Figure 2: Trends in the Level and Inequality of Household Income



Source: Author's calculations using CPS ASEC data.

However, given the overwhelming historical evidence on SNAP, we do expect that as the economy continues to improve in the coming years, participation and subsequently the cost of SNAP will "automatically" decline as families are no longer in need of assistance.[2] Glimmers of this are seen in *Figure 1* where growth in participation tapers off at the end of the period, as well as in recent tallies of administrative data from USDA that shows there are 1.5 million fewer persons on SNAP in November 2014 (the most recent data) than the peak in December 2012.[3]

Almost 30 percent of the growth in SNAP since 2007 was due to changes in Federal and state SNAP policy, and this fraction rises to 35 percent going back to 2000.

Another important factor that led to the post-2000 growth of SNAP was changes in policy affecting program eligibility and access. Basic eligibility for SNAP benefits is determined by having monthly gross income below 130 percent of the poverty guideline for a given household size and monthly net income (gross income less deductions) that does not exceed 100 percent of that guideline. Households with an elderly or disabled person are exempt from the gross income test. In addition to the two income tests, there is a liquid asset test of $2,000 ($3,250 for households with a disabled person or someone age 60 or older), and a vehicle value test of $4,650. There is also "categorical" eligibility for SNAP conferred upon recipients of cash assistance from the welfare program Temporary Assistance for Needy Families (TANF) or the disability program Supplemental Security Income (SSI).

In 1996, Congress passed and President Clinton signed into law, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA, also known as welfare reform), which eliminated the welfare program Aid to Families with Dependent Children (AFDC) and created TANF. PRWORA directly affected SNAP as it eliminated eligibility for most legal permanent aliens and for convicted

[2] This prediction is corroborated by independent analyses of data from the Survey of Income and Program Participation by Ganong and Liebman (2013). Indeed, they find that the local macroeconomy accounted for closer to ⅔ of the growth in SNAP after 200. See Ganong, P., and J. Liebman. 2013. "The Decline, Rebound, and Further Rise in SNAP Enrollment: Disentangling Business Cycle Fluctuations and Policy Changes." National Bureau of Economic Research Working Paper 19363.

[3] *http://www.fns.usda.gov/sites/default/files/pd/34SNAPmonthly.pdf*. See also Rosenbaum, D., and B. Keith-Jennings. 2015. "SNAP Costs Declining, Expected to Fall Much Further: Trend Reflects Recent Benefit Reduction and Lower Caseloads." Center on Budget and Policy Priorities, Washington D.C., February 9.

drug felons; it limited benefits to 3 months out of any 36 month period for able-bodied adults without dependents (ABAWDs) between the ages of 18 and 50 working less than 20 hours per week or not meeting other work requirements; it reduced the maximum benefit and froze many deductions used in calculating net income; it allowed states to sanction households for noncompliance with TANF requirements or child support payments; and it mandated that states adopt the Electronic Benefit Transfer (EBT) replacing paper coupons with debit cards.[4]

Participation in food stamps plummeted over 40 percent in the last half of the 1990s, most of which was due to the growing economy at the time.[5] At the same time, however, there was a dramatic 25 percent decline in participation among *eligible* families and individuals in the wake of the 1996 welfare reform.[6] That is, as families left the AFDC program in the late 1990s, they also left the Food Stamp Program, even though they remained eligible for food assistance.

The policy reforms, starting around 2000 and continuing with the 2002 Farm Bill, were designed to counteract the declining participation among eligibles, in part to foster the transition from welfare to work for former AFDC recipients. The reforms conferred greater flexibility to states to improve program take-up and administration, including expanded vehicle asset tests; expanded broad-based categorical eligibility, which allowed states to utilize more generous TANF asset and gross-income tests to determine eligibility (though recipients still had to pass the net income test and other program requirements); restored eligibility for legal aliens previously excluded by the 1996 welfare reform; and expanded the option for simplified reporting, which allowed states to relax the frequency and form (*i.e.,* phone or online) of benefit recertification. Not all of the early 2000s reforms made access easier; notably, most states increased the frequency of benefit recertification in order to reduce error rates, and a few states adopted policies such as fingerprinting.

As part of the American Recovery and Reinvestment Act of 2009, Congress increased average benefits by 13.6 percent, and both before and after the onset of the Great Recession, many states received statewide waivers from the ABAWD provision allowed under the 1996 welfare law because of excessively high unemployment rates. The expanded benefits expired at the end of 2013, and because of the improving economy, the statewide ABAWD waiver option will expire for most states by the end of this year.[7] Both reduced benefits and reduced eligibility among ABAWDs are predicted to lead to declines in SNAP participation.

Other policies affecting low-income families such as the 1996 welfare reform, expanded EITC, and higher state and Federal minimum wages had only a minimal effect on SNAP use since 2000, accounting for less than five percent of the growth.

There are a host of other policies that could potentially affect whether or not an individual or household decides to participate in SNAP. As mentioned, recipients of AFDC were categorically eligible for food stamps, and in the early 1990s many states applied to the U.S. Department of Health and Human Services for waivers from Federal welfare rules under Section 1150 in order to experiment with their AFDC programs. These waivers included time limits, work requirements, and sanctions, which were expected to make AFDC less accessible, as well as expanded earnings disregards and asset limits, each of which were expected to complement welfare and work. At the same time, as part of the tax reforms of 1986, 1990, and 1993, and in the 2009 ARRA, the generosity of the EITC was expanded. There is strong evidence that the EITC stimulated employment,[8] especially among single mothers, and because eligibility and benefits for SNAP are means-tested, SNAP was expected to fall in response to the higher EITC benefits. Likewise, since 1981, Congress has raised the minimum wage three times (1989, 1996, 2007), and many states have acted independently to raise their respective minimum wages. Again, like the EITC,

---

[4] Gabor, V., and C. Botsko. 1998. "State Food Stamp Policy Choices under Welfare Reform: Findings of 1997 50-State Survey." Health Systems Research, Washington, D.C. Report submitted to U.S. Department of Agriculture, Food and Nutrition Service.

[5] Figlio, D., C. Gundersen, and J. P. Ziliak. 2000. "The Effects of the Macroeconomy and Welfare Reform on Food Stamp Caseloads." *American Journal of Agricultural Economics* 82(3): 635–641.

[6] Leftin, J., E. Eslami, and M. Strayer. 2011. *Trends in Supplemental Nutrition Assistance Program Participation Rates: Fiscal Year 2002 to Fiscal Year 2009.* Mathematica Policy Research, Washington, D.C. Report submitted to U.S. Department of Agriculture, Food and Nutrition Service.

[7] Bolen, E. 2015. "Approximately 1 Million Unemployed Childless Adults will Lose SNAP Benefits in 2016 as State Waivers Expire: Affected Individuals are Very Poor; Few Qualify for Other Help." Center on Budget and Policy Priorities, Washington, D.C., February 26.

[8] Meyer, B. and D. Rosenbaum. 2001. "Welfare, the Earned Income Tax Credit, and the Labor Supply of Single Mothers." *Quarterly Journal of Economics* 116(3): 1063–1114.

a higher minimum wage makes work more attractive, and reduces SNAP benefits, and these periodic changes were expected to lead to reductions in SNAP participation. My research shows that while all these predictions are borne out in the data, their influence on overall SNAP participation was small in comparison to the business cycle and SNAP policy.

The changing demographic landscape, including the aging of the population, is putting downward pressure on SNAP participation. SNAP would have been five percent higher in 2011 than in 2000 in the absence of changing demographics.

The past several decades have witnessed significant demographic changes affecting the American family, ranging from the aging of the population to the rise of out-of-wedlock childbearing, and these forces have differential effects on SNAP participation, some leading to increases and some to decreases.

The U.S. population is aging; however, eligible seniors are much less likely to participate in the program than younger persons—roughly 35 percent of eligible seniors receive SNAP, compared to the overall take-up rate of 75 percent.[9] This implies that population aging is likely to put downward pressure on participation going forward. Likewise, since the 1970s there have been significant increases in the fraction of adults completing high school and some college. Because higher incomes are associated with higher education attainment, we expect the secular growth of education to put downward pressure on SNAP growth.

Weighed against this demographic down-shift are countervailing forces from growth in the fraction of births to unwed mothers, which increased from 15 percent in 1980 to 40 percent by the mid-2000s.[10] Because single-mother families are on average more likely to be poor than married or cohabiting families, the rise in lone-parent families should put upward pressure on SNAP growth. Concurrent with the rise of out-of-wedlock childbearing has been growth in the fraction of multi-generational households. A multi-generation household is one that contains two or more adult generations, with or without a grandchild, or a grandparent and grandchild household ("skipped generations"). These families tend to be poorer, more likely to be food insecure, and thus more likely to participate in SNAP.[11] Likewise, the significant growth in disability, both in the Supplemental Security Income and Social Security Disability Income programs, is another secular trend causing the increase in SNAP caseloads.[12] SSI recipients are automatically eligible for SNAP, and while households receiving DI must still meet income and asset tests, those limits are higher than those for households with no disabled persons.

My research suggests that demographic trends—population aging, increased education attainment, smaller households with fewer children, and migration from rural to metro areas—have dampened SNAP participation and kept its growth in check.

SNAP has evolved increasingly into a work support for household's whose head works full-year, has at least some college education, and is near poor.

The composition of households receiving SNAP is changing. *Figure 3* presents trends in the age composition of households receiving SNAP in three age groups—children under age 18, adults age 18–59, and seniors age 60 and older. The figure reveals that in the last decade there has been a shift in the age composition of households receiving SNAP away from children and elderly and toward adults. Prior to the Great Recession about 55 percent of SNAP households consisted of children and the elderly, but by 2009, a slim majority were non-elderly adults. It is important to note that in the CPS data I use a household may consist of both persons on SNAP and those not on SNAP, which is not the same definition as used in SNAP Quality Control Data, which focuses on the SNAP recipient unit alone. However, this same shift in composition toward assistance for adults is also found in the QC data.[13]

---

[9] Leftin, *et al.* (2011).

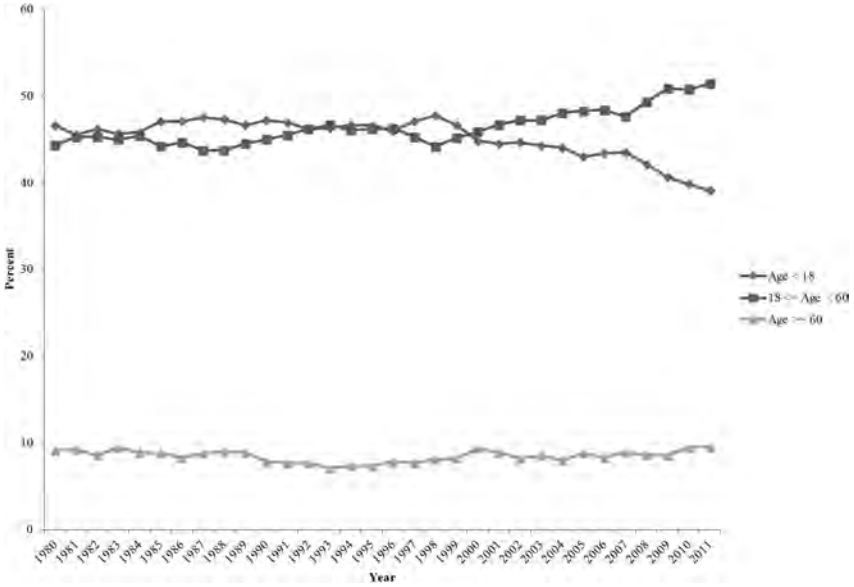
[10] Cancian, M., and D. Reed. 2009. "Changes in Family Structure, Childbearing, and Employment: Implications for the Level and Trend in Poverty." In M. Cancian and S. Danziger, Eds, *Changing Poverty, Changing Policies.* New York: Russell Sage Foundation, 92–121.

[11] Ziliak, J. P., and C. Gundersen. Forthcoming. "Multigenerational Families and Food Insecurity," *Southern Economic Journal.*

[12] Autor, D. 2011. "The Unsustainable Rise of the Disability Rolls in the United States: Causes, Consequences, and Policy Options." NBER Working Paper 17697.

[13] Hoynes, H. and D. Schanzenbach. Forthcoming. "U.S. Food and Nutrition Programs." *In Means-Tested Transfer Programs in the United States, Volume II,* R. Moffitt, Editor, Chicago, IL: University of Chicago Press.

Figure 3: Trends in the Age Composition of SNAP Households

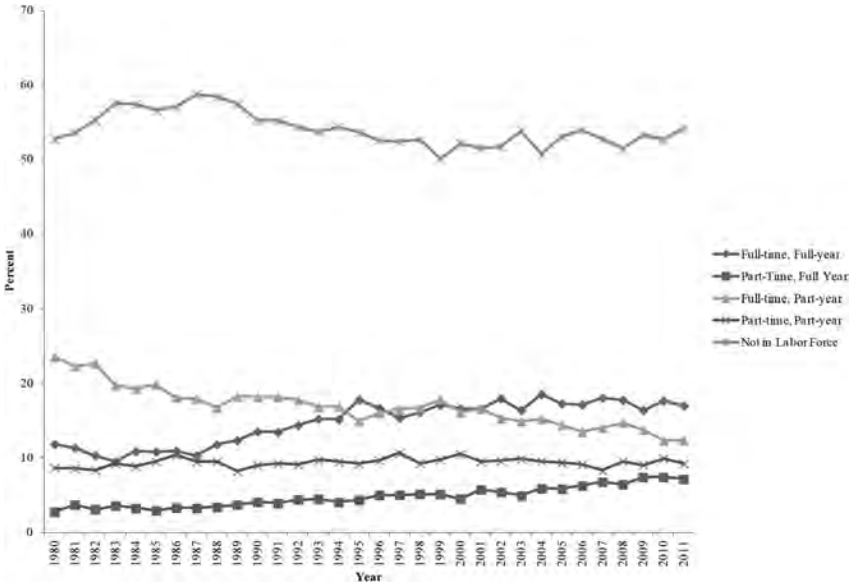


Source: Author's calculations using CPS ASEC data.

Coincident with the shift in age composition of SNAP households, *Figure 4* shows that the share of those households headed by a person working full-year, whether full-time or part-time, has been fastest over this period. That is, an increasing share of heads of SNAP households has a very strong attachment to the labor force. Indeed, SNAP QC data indicate that the fraction of actual SNAP recipiency units with earnings increased by over ⅓ after welfare reform.[14]

[14] *Ibid.*

Figure 4: Trends in Distribution of SNAP Households by Employment Status of Head

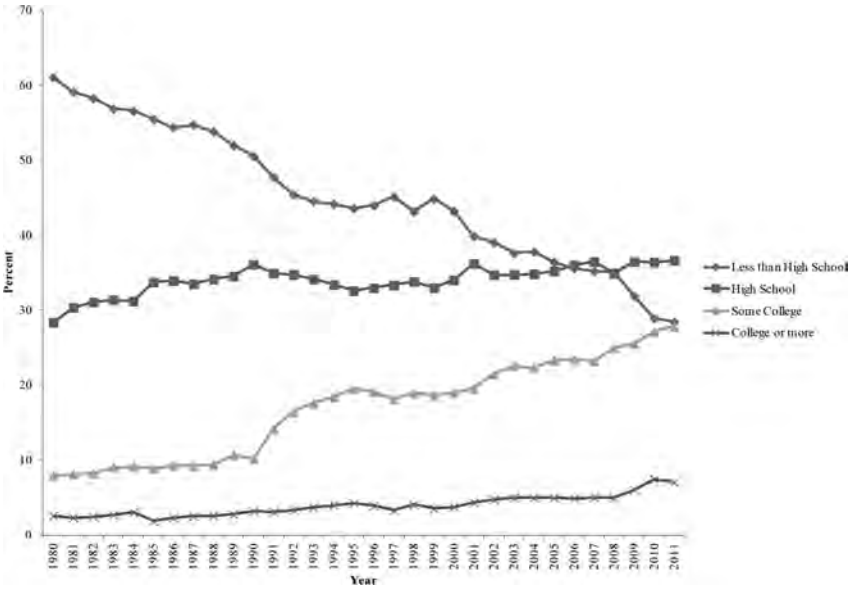


Source: Author's calculations using CPS ASEC data.

Furthermore, *Figure 5* shows that the fraction of SNAP households headed by a high school dropout has plummeted by more than ½ since 1980, and by 2011, more than ⅓ of SNAP households were headed by someone with some college or more. *Figure 6,* which depicts the distribution of SNAP households by household income in relation to the Federal poverty guideline, shows that since the mid-1980s the composition of SNAP households has trended toward those with annual incomes above the poverty line. This suggests that SNAP has evolved into a work supplement for educated, near-poor households. The growing prevalence of full-year working recipients implies that concerns that SNAP is operating as a work disincentive are likely less relevant than in the past, in part because the expanded EITC mitigates the potential disincentive for the majority of working recipients.[15]

[15] Moffitt, R. 2015. "Multiple Program Participation and the SNAP Program." In *SNAP Matters.*

Figure 5: Trends in Distribution of SNAP Households by Education Attainment of Head



Source: Author's calculations using CPS ASEC data.

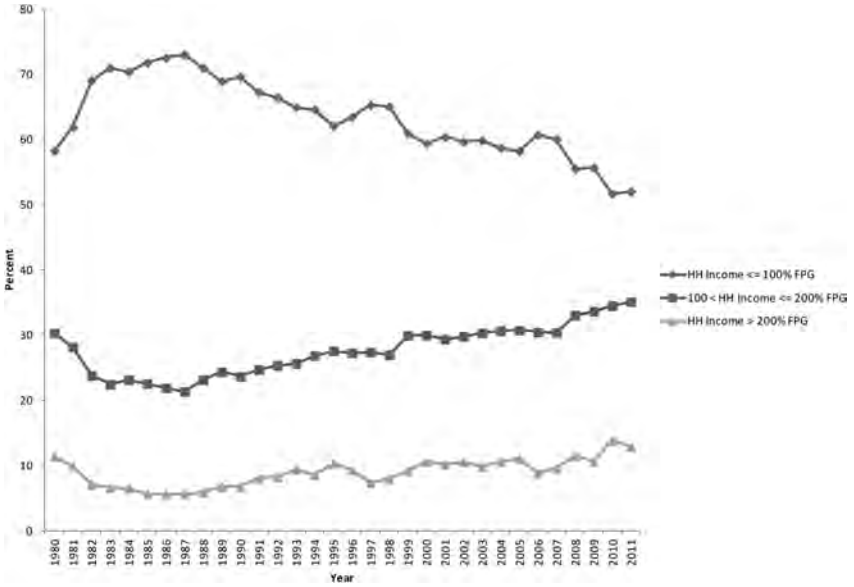
Implications for Family Well Being

The expansion of SNAP over the past decade, both from rising need from the deepest recession since the Great Depression and changing policy improving program access and delivery, has wider implications for family well being.

Behind the EITC, SNAP is the most effective anti-poverty program for the non-elderly, and is even more effective than the EITC in mitigating deep poverty among families with children.[16] The reason for the greater anti-poverty effects among the very poor is that many of these disadvantaged households do not have earnings, or only limited earnings, and because of its uniqueness in the U.S. safety net as a near universal program regardless of age, employment status, or family structure, SNAP is able to assist the very poor where other programs do not.

[16] Tiehen, L., D. Jolliffe, and T. Smeeding. "The Effect of SNAP on Poverty." In *SNAP Matters.*

Figure 6: Trends in the Distribution of SNAP Households by Income Status



Source: Author's calculations using CPS ASEC data.

SNAP has also been shown to lead to increases in total food spending, implying that most SNAP recipients spend more on food each month than their SNAP allotment; and in the face of income shocks to families such as in the Great Recession, SNAP reduces the short-run volatility of food consumption by just under 15 percent, and long-term income shocks on food are lower by ⅓.[17]

That food consumption is stabilized by SNAP in times of economic need has positive spillovers on the health of the family. Namely, the best evidence suggests that food insecurity, *i.e.,* a situation that "exists whenever the availability of nutritionally adequate and safe foods or the ability to acquire acceptable foods in socially acceptable ways is limited or uncertain," is reduced by increases in SNAP benefits.[18] The timing of receipt of benefits over the life course also matters. Specifically, compelling evidence, albeit limited in the number of studies, indicates that exposure to the program *in utero* and in early childhood has positive effects on birth outcomes as well as in better health in adulthood such as lower risk of obesity, heart disease, and diabetes.[19] And this early exposure to SNAP in childhood facilitates access to school feeding programs such as school breakfast and lunch, which have an additional, independent effect of lowering food insecurity.[20]

Conclusion

SNAP is operating to combat hunger and poverty during periods of economic hardship asCongress intended when it initially passed the Food Stamp Act in 1964,

---

[17] Hoynes H, L. McGranahan, and D. Schanzenbach. 2015. "SNAP and Food Consumption." In SNAP Matters; Gundersen, C. and J. Ziliak. 2003. "The Role of Food Stamps in Consumption Stabilization." *Journal of Human Resources* 38 (Supplement): 1051–1079; Blundell, R. and L. Pistaferri. 2003. "Income Volatility and Household Consumption: The Impact of Food Assistance Programs." *Journal of Human Resources* 38 (Supplement): 1032–1050.

[18] Schmidt, L., L. Shore-Sheppard, and T. Watson. Forthcoming. "The Effect of Safety Net Programs on Food Insecurity." *Journal of Human Resources;* Mabli, J. and J. Worthington. 2014. "Supplemental Nutrition Assistance Program Participation and Child Food Security." *Pediatrics* 133(4): 1–10; Gregory, C., M. Rabbitt, and D. Ribar. 2015. "The Supplemental Nutrition Assistance Program and Food Insecurity." In *SNAP Matters.*

[19] Almond, D., H. Hoynes, and D. Schanzenbach. 2011. "Inside the War on Poverty: The Impact of Food Stamps on Birth Outcomes." *Review of Economics and Statistics* 93(2): 387–403; Hoynes, H., D. Schanzenbach, and D. Almond. 2012. "Long Run Impacts of Childhood Access to the Safety Net." National Bureau of Economic Research Working Paper 18535; Gundersen, C. 2015. "SNAP and Obesity." In *SNAP Matters.*

[20] Bartfeld, J. 2015. "SNAP and the School Meal Programs." In *SNAP Matters.*

and with each subsequent reauthorization. Although the majority of recipients are children, elderly, or the disabled, the program in recent years has increasingly evolved into a work support for households with a full-year worker with some college education. Even though the program is at record highs in terms of participation and cost, it is also functioning more efficiently than ever with record low error rates in benefit determination, having fallen by over 45 percent in the last decade alone.[21] With its Federal funding that rises and falls with the state of the economy, it offers a first line of defense against poverty and food insecurity for the widest array of American families of any program in the safety net—young, old, working, not working, healthy, disabled—that is not possible in other programs, such as in the block-granted TANF program that did not respond to rising need this last decade. SNAP matters more than ever in the safety net.

I again thank the Committee for the opportunity to share the results of our research.

The CHAIRWOMAN. Thank you, Dr. Ziliak.

Mr. Tordella, please proceed.

STATEMENT OF STEPHEN J. TORDELLA, PRESIDENT, DECISION DEMOGRAPHICS, ARLINGTON, VA

Mr. TORDELLA. Thank you, Chairwoman Walorski, Ranking Member McGovern, and Committee Members.

Today I will talk to you about flows onto and off of SNAP, tracking who goes onto SNAP and at what rates, what events are associated with entering or exiting the program. Once on the program, how long do participants stay? When people leave the program, do they come back? Also, I will compare recent results with our studies from the early and mid-2000s.

We used the Survey of Income and Program Participation, or SIPP, to follow 25,000 U.S. households from mid-2008 through the end of 2012, with data on every person, every month. We focused on people who might be at risk of joining SNAP; those below three times the poverty. Our study includes the peak of the recession and continues for 3 years afterwards. SNAP participation grew from 29 to 48 million people during this study period.

So let us start at the beginning with entry rates. During our study period, .7 percent of lower income people joined SNAP each month. In the early 2000s, the entry rate was .4 percent monthly. So the entry rate almost doubled in about 10 years. SNAP entry patterns differed by family situation and income. People who had received SNAP before were three times more likely than average to enter SNAP. Entry rates were also higher than average for families with children or disabled members, and those without income. Elderly adults and ABAWDs, the nondisabled 18 to 49 year olds without dependents, had lower than average SNAP entry rates.

So what events are associated with entering SNAP? The most common events were decreases in family earnings, unemployment and family changes. Thirty percent of SNAP entrants had a recent decrease in earnings, 15 percent were in families where someone became unemployed, and over ten percent had a family change like pregnancy, a new child, or divorce.

So once on SNAP, how long do people stay? We call peoples' time on SNAP a spell. At any given point, there are both short and long spells in progress. So let us look at shorter spells in our sample by measuring the length of every new spell that started during 2008

[21] Based on a comparison of FY 2004 and FY 2013 benefit error rates *http://www.fns.usda.gov/pd/snap-reports#qc-error*.

to 2012. The average new spell length that was 12 months, that is, ½ of participants had left SNAP within 12 months. This compares to 8 months just after 2000, and 10 months at mid-decade. People in single-parent families, below poverty, and disabled adults had longer spell lengths. Elderly living alone have the longest spells of any group, an average of over 4 years. ABAWDs had the shortest spells, along with those whose income was more than twice poverty. In all, ⅔ of new spells were over within 2 years.

What about the people who were already receiving SNAP when the study period started? Many of them were in the middle of longer term spells. Think of older people on fixed incomes, whose living situations may stay the same for years at a time. If they qualify for SNAP, they could need the program for a while. So to study these longer spells, we took everyone on the program as of December 2008, looked back to when they started the program, and forward month-by-month for another 4 years. These continuing spells on SNAP average 8 years. During the mid-2000s, it was 7 years. Older population groups, again, had the longest spells; over 8 years, while for ABAWDs, the average was only 3 years.

Next, let us consider the events associating with exiting SNAP. Just like entry, earnings and family situations are the main exit events. People who start to earn more money are likely to leave SNAP. Also, one in five people who had a family member exit the household exited SNAP within 4 months.

Finally, when people leave SNAP, do they come back? Well, in 2008 to 2012, nearly ½ of those who left the program reentered within a year. That was faster than during the mid-2000s. Some groups reentered more quickly, including children and those below poverty. Other groups took more time, including elderly and families without children.

In sum, our study of SNAP dynamics showed that the program responded to changes in the economy during the recession and its aftermath in the expected ways. Entry rates were higher than before, spell durations were longer, reentry was faster. These factors combined to cause program growth, but SNAP participation was still driven by individual circumstances. Entry rates and spell lengths were highest among the poor, and decreased with income. Changes in employment and earnings were the most common entry as well as exit events. These findings underscored that the program is responding to changing economic conditions as well as individuals' changing needs.

Thank you.

[The prepared statement of Mr. Tordella follows:]

PREPARED STATEMENT STEPHEN J. TORDELLA, PRESIDENT, DECISION DEMOGRAPHICS, ARLINGTON, VA

Dynamics of SNAP Participation from 2008 to 2012.

Thank you, Chairwoman Jackie Walorski, Ranking Member Jim McGovern, and Members of the Nutrition Subcommittee for this opportunity to testify on the Supplemental Nutrition Assistance Program (SNAP). I was asked to testify before this Committee as part of an evidence-based approach to understanding the SNAP population. Critical to developing effective SNAP policy, this review of SNAP dynamics will help Congress to understand changes in SNAP participation patterns and the national caseload under different economic conditions and policy environments.

My testimony is based on a recent study of SNAP participation dynamics conducted by my organization, Decision Demographics, and our partners at

Mathematica Policy Research, for the U.S. Department of Agriculture's Food and Nutrition Service, Office of Policy Support. I will present findings from one of our study reports, "*Dynamics of SNAP Participation from 2008 to 2012,*" a link to which can be found on our website.[1] My colleagues, Principal Investigator James Mabli, who coauthored this testimony, as well as authors Joshua Leftin, Thomas Godfrey, and Nancy Wemmerus contributed to this report. The study used data from the 2008 panel of the Survey of Income and Program Participation (SIPP), a nationally representative longitudinal sample survey that collected detailed information for 5 years, beginning in 2008, on monthly labor force activity, income, family circumstances, and program participation.

This afternoon I will describe patterns of SNAP caseload dynamics over the past decade. By "dynamics," we mean the flow of participants into and out of the program. I will specifically address:

- Who goes onto SNAP and at what rates do they enter the program?
- Once participants are on the program, how long do they stay?
- When they leave the program, how long is it before they come back?
- What events are associated with people entering or exiting SNAP?
- How do different groups of people participate in the program?
- How do SNAP dynamics drive changes in participation patterns and the national caseload over time?

First, for context, I will highlight SNAP participation trends over the last decade. Next, I will review our findings on SNAP caseload dynamics. I will discuss observed differences in these dynamics over the past 10 years; describe distinctions by demographic, economic and family characteristics; and present factors associated with SNAP entry and exit. I will close by discussing how changing patterns in dynamics have shaped overall caseload changes, comparing findings from our two most recent studies, which looked at the periods 2004–2006 and 2008–2012.

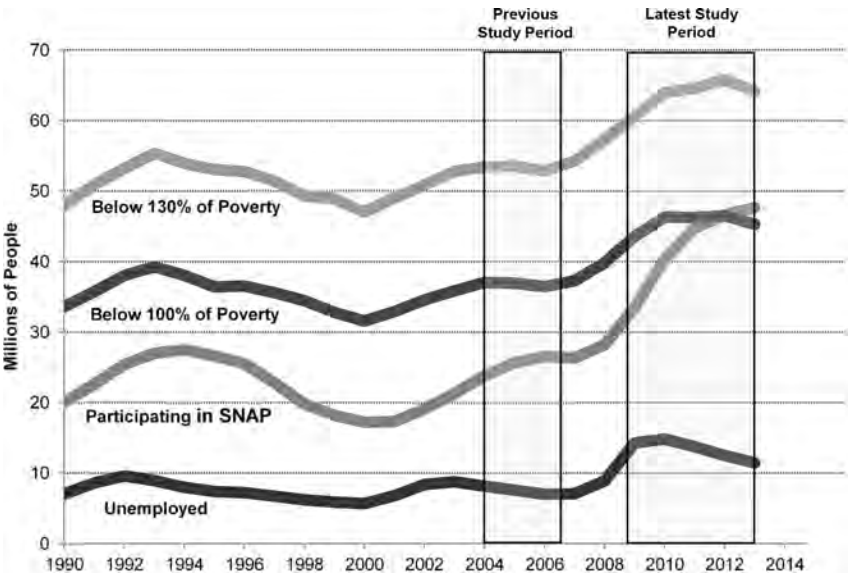
SNAP Today

SNAP is the largest of the 15 domestic nutrition assistance programs administered by FNS. The number of SNAP participants has increased dramatically over the past decade, from an average monthly caseload of 24 million in Fiscal Year 2004 to its peak of 47.6 million in Fiscal Year 2013. It declined modestly to 46.5 million in Fiscal Year 2014. Understanding SNAP participation dynamics over time is critical to understanding these participation changes. *Figure 1* provides a snapshot of changes in SNAP participation and concurrent rates of unemployment and poverty, since 1990.

[1] Leftin, Joshua, Nancy Wemmerus, James Mabli, Thomas Godfrey, and Stephen Tordella, (2014). *Dynamics of SNAP Participation from 2008 to 2012.* Prepared by Decision Demographics for the U.S. Department of Agriculture, Food and Nutrition Service: Alexandria, VA. Available online at *http://www.fns.usda.gov/sites/default/files/ops/Dynamics2008-2012.pdf*.

Figure 1

Trends in Poverty, the SNAP Caseload, and the Number of Unemployed Individuals, 1990–2013



Examining SNAP Entry Rates

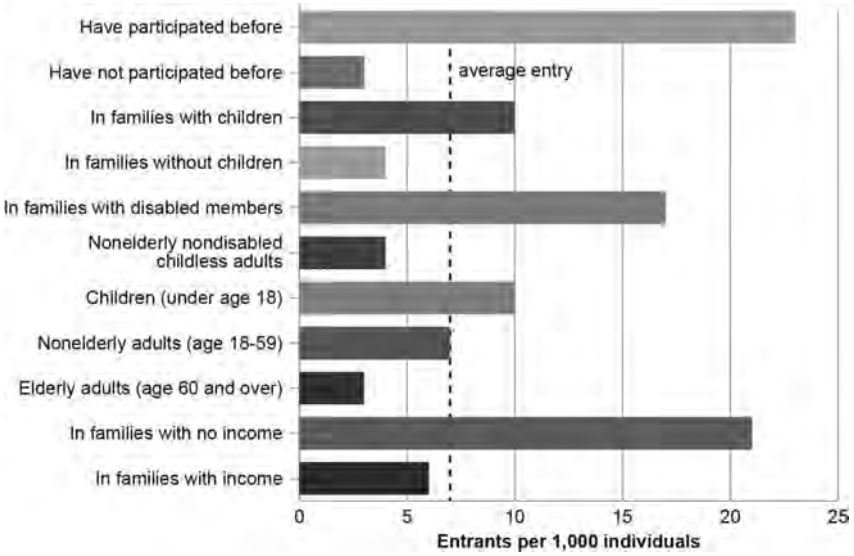
Between mid-2008 and the end of 2012—the period for which SIPP followed the respondents on which we based this study—an average of seven out of every 1,000 people in low-income families who were not receiving SNAP entered SNAP in the next month.[2] This is a 40 percent increase over the 2004 to 2006 study period (referred to as the mid-2000s), when five out of every 1,000 people in low-income families joined the program each month, and substantially higher than the period from 2001 to 2003, when four out of every 1,000 people in low-income families joined SNAP each month on average.

SNAP entry patterns differ by family situation and income. For example, individuals who received benefits in the past were much more likely to enter than those who had not received benefits. Three of every 1,000 low-income nonparticipants who had never received SNAP benefits during their adult lives entered the program in a given month, compared with 23 out of 1,000 people who had participated previously (see *Figure 2*). Entry rates were also higher than average for individuals in families with children or disabled members, and those in families without income. Nondisabled adults age 18–49 in households without dependents (commonly referred to as "ABAWDs"), and elderly adults, had lower than average SNAP entry rates.

[2] We considered individuals to be in a low-income family if they had family income less than 300 percent of poverty.

Figure 2

Monthly Entrants per 1,000 by Demographic Characteristics for Individuals with Income at or below 300% of Poverty



Factors Associated with Entering SNAP

The detailed SIPP monthly data allow us to observe life events or changes that may be associated with entering (or exiting) SNAP. Although we cannot definitively ascertain that these events caused SNAP entry, we can show to what degree certain events or changes in circumstances, which we call "triggers," immediately precede SNAP entry.

The most common events associated with entry into SNAP were related to decreases in family earnings, loss of employment, and changes to the family situation. Among those who entered SNAP in the study period, 30 percent experienced a substantial decrease in family earnings in the previous 4 months, while 23 percent experienced a substantial loss in other family income-income aside from earnings and Temporary Assistance for Needy Families (TANF). Nearly 16 percent of those who entered SNAP were in families where a member became unemployed within the previous 4 months, and 12 percent experienced a change in their family situation within the previous 4 months, such as a pregnancy, a new dependent in the family, or a separation or divorce.

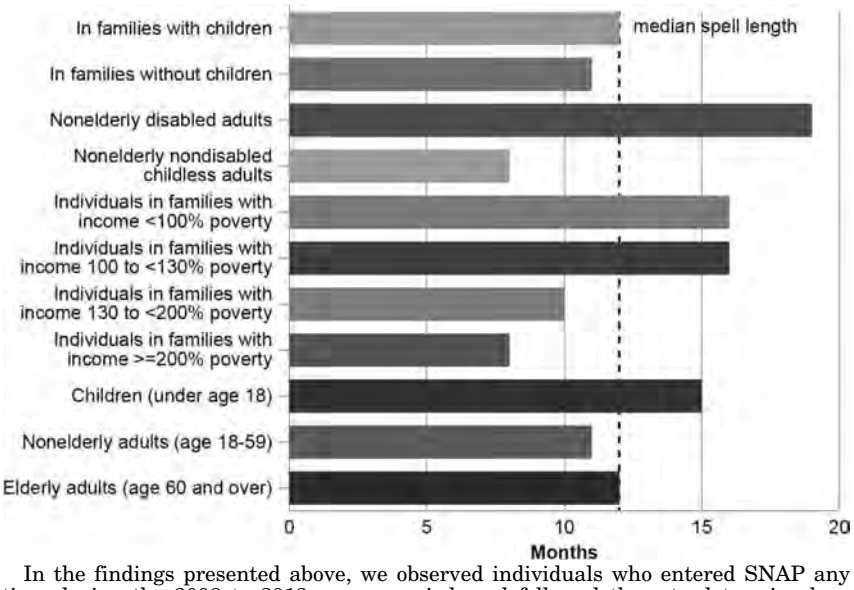
Once Participants Are On SNAP, How Long Do They Stay?

Because time on the program contributes to overall caseload and program costs, there is great interest in understanding how long SNAP participants typically receive assistance. Dynamics research refers to each participation period as a "spell" and the number of months a participant receives SNAP benefits in one session as a "spell length."

SNAP spells have gotten longer over the past decade: half of those who entered the program between 2008 to 2012 ("new entrants") exited within 12 months, compared to 10 months during the mid-2000s and 8 months in the early 2000s. SNAP spell lengths were shorter for individuals in families without children and for ABAWDs (see *Figure 3*). Spell lengths were longer for new entrants living in poverty, those in single-parent families, nonelderly disabled adults, and children. Overall, however, most entrants left the program within 2 years.

Figure 3

Median SNAP Spell lengths for New Entrants by Demographic Characteristics and Income



In the findings presented above, we observed individuals who entered SNAP any time during the 2008 to 2012 survey period, and followed them to determine how long they remained on the program. However, looking only at these new entrants does not allow us to understand the behavior of longer-term SNAP participants; many long-term participants were already receiving SNAP when this round of the SIPP survey began, so by following only new entrants during the survey period, we necessarily miss many of those whose stay began before the survey period. To more completely understand caseload dynamics, we also took a slice of the population at an early point in the survey (called a cross-section) and looked at who was receiving SNAP and how they long they had already been on the program. We then followed these cases forward, determining whether they exited the program during the survey period. As expected, this cross-section of SNAP participants has longer spells than the new entrants: a median length of 8 years, up from 7 years in the mid-2000s (in other words, ½ of those who were participating early in the 2008 panel period exited within 8 years, but ½ remained on the program longer than 8 years). Elderly individuals had higher than average median spell length while ABAWDs had a median spell length of 3 years.

What Factors are Associated with Exiting SNAP?

The SNAP exit rate is the percentage of participants that exit the program over a fixed period of time. As with entry rates, changes in average exit rates over time can help explain changes in overall caseload size. Examining individuals' circumstances around the time of exit can provide clues as to why individuals may leave the program. We found that factors contributing to exit from SNAP differ for people in different demographic or economic circumstances.

In about 30 percent of households that exit SNAP, the data do not show an event related to improved financial circumstances or reduced need in the previous 4 months that we would readily associate with exit from the program. About 70 percent experienced a substantial increase in income or a decrease in the number of family members. Thirty-seven percent experienced more than one of these events in the 4 months before exiting. Increases in earnings were the most common of the events we examined that preceded exits. These events, however, are common and do not always lead to exiting SNAP.

At What Rates do Individuals Re-Enter the Program?

SNAP re-entry patterns measure the extent to which individuals transition on and off the program. Forty-seven percent of SNAP participants who exited the pro-

gram in the panel period re-entered within 12 months. Another 12 percent re-entered within 2 years, for a total of 59 percent re-entering within 24 months. Participants returned to the program more quickly during 2008 to 2012 than prior study periods. In the mid-2000s, 53 percent of participants re-entered within 2 years.

Some subgroups re-entered SNAP more quickly than others. In particular, individuals in families whose income was below the poverty level when they exited returned to SNAP more quickly than those who had higher incomes. Similarly, individuals in families with children returned to SNAP more quickly than those in families without children.

How Entry Rates and Duration Explain Increases in SNAP Participation

As noted at the beginning of this testimony, the SNAP caseload grew substantially from the 2004 to 2006 period to the 2008 to 2012 period, and in each year over the course of the 2008 to 2012 period. For a caseload to grow, people must be entering the program at higher rates, staying in the program longer, or both—which is what occurred during 2008 to 2012. This continues a trend in SNAP dynamics observed from the early 2000s to the mid-2000s; yet while the economy was improving during the mid-2000s, this was not the case during much of the 2008 to 2012 period. As a result, the increases in entry and duration from the mid-2000s to the 2008 to 2012 time period were greater than those from the early to mid-2000s. Finally, although the caseload grew each year from 2008 to 2012, there was a slowdown in growth over this period due to a year-to-year decline in the number of SNAP entrants relative to the total caseload.

Policy Implications from Examining SNAP Dynamics

We hope that this objective analysis will contribute to the research base on SNAP program dynamics, especially as Congress conducts an evidence-based investigation of the program. Through this research, we investigated SNAP caseload dynamics to better understand what drives changes in SNAP participation over time.

This study of SNAP dynamics provides two key insights into the rise in the SNAP caseload over the past 10 years. First, SNAP participation in 2008 to 2012 increased, relative to the mid-2000s, due to both an increase in entry rates and the length of time spent on SNAP. The proportion of low-income individuals not already on the program who entered in an average month increased by 40 percent and the median spell of SNAP participation among new entrants lasted 20 percent longer than during the mid-2000s.

Second, SNAP dynamics closely reflect individual circumstances. SNAP entry rates were highest among the poorest individuals, and decreased with income. Similarly, the length of time spent on SNAP was longest for poorest individuals, and decreased with income. Changes in employment and earnings were the most common factor associated with entering and exiting the program. Job losses and decreases in earnings were strongly associated with entering SNAP, and job gains and increases in earnings were strongly associated with leaving the program. These findings suggest that the program is responding to changing economic conditions and individuals' increased needs in the way in which it was originally designed.

Thank you again for giving us the opportunity to testify before the House Committee on Agriculture about this important topic.

The CHAIRWOMAN. Thank you, Mr. Tordella. And thank you to all of you for your testimony.

We are going to move into the question period now.

Dr. Mills, I have a question for you. In your churn study, talking about the cycling of families on and off of benefits, you mentioned one of the reasons was that recipients were experiencing personal difficulties, and kind of in a follow-up to a question I had yesterday on the full Committee on SNAP about families getting real help, what is the engagement level of states going into these recertifications?

Dr. MILLS. It is rather extensive. That is to say, the effort that is put into the recertification is a full review of the eligibility factors of the case. So it is immigration, citizenship, it is their household income, expenses and resources. So it is, in terms of case worker effort, it is probably something like 2 to 3 hours of a case worker's time.

The CHAIRWOMAN. So there is a case worker from SNAP that potentially knows there is a situation with a family?

Dr. MILLS. A schedule—well, I am talking actually about a scheduled——

The CHAIRWOMAN. Okay.

Dr. MILLS.—recertification.

The CHAIRWOMAN. Yes.

Dr. MILLS. So those would occur typically at intervals of 12 or 24 months. And the point I was trying to make in my testimony was that the, say, 2 to 3 hours that might be spent by a case worker at recertification is far less than what is required at an initial application. And the phenomenon of churn causes individuals, once they go off the program, many of them have to come back by going through a full initial application, which may require, say, 6 or 7 hours of the case worker's time. So it is more——

The CHAIRWOMAN. And what did you learn from your interviews with SNAP staff and those with—in the community-based organizations?

Dr. MILLS. I indicated some of the recommendations that we heard from the staff of these offices. We interviewed staff in one local office in each of the six states. We also interviewed representatives of community-based organizations.

The CHAIRWOMAN. Yes.

Dr. MILLS. And I believe that the Chairman actually made reference in his opening statement the other day to the kind of expansion of the food assistance network to include food banks and other nonprofit organizations. Some states do make use of such community-based organizations to assist clients in the outreach and in applying for benefits. That is a strategy that some states also use at recertification, allowing the client to be interviewed by a worker at a food bank if, for instance, they might find it difficult to get to a local office, and if they are already going to that food bank, and would represent less burden for them.

The CHAIRWOMAN. I appreciate it. Maybe this is the disadvantage of longer certification periods, fewer interactions and opportunities to help families. I appreciate your testimony.

Dr. MILLS. Yes.

The CHAIRWOMAN. I now recognize Mr. McGovern, for 5 minutes.

Mr. MCGOVERN. Thank you very much.

On this issue of churning and recertification, we had a witness here yesterday who said that there should be more certification processes. My question to you is, how would requirements for more frequent recertification likely affect the churn rate?

Dr. MILLS. I think of this as a trade-off that is a difficult one to make. As I pointed out in my testimony, there are multiple objectives here. You want to provide access to the program for those who are eligible for benefits, and at the same time you want to maintain the integrity of the program by not allowing those who are ineligible to access the program. So the procedural barriers exist for multiple reasons. You want to make sure that people, in fact, meet the eligibility requirements, but you don't want to place those barriers, those hurdles so high that it might prevent those who are, in fact, entitled to receive benefits from entering the program.

In general, as I think you have heard from Mr. Greenstein the other day, the error rates in the program are very low. Only about one percent of recipients in the food stamp—in the SNAP program are, in fact, ineligible and should not be receiving benefits. All others are eligible and perhaps not receiving the correct amount. But the program, by those measures, is very well administered, reflecting the amount of attention that goes into initial certification and recertification.

More barriers, I think that this is getting to your question——

Mr. MCGOVERN. Right.

Dr. MILLS.—more barriers, more procedural requirements almost certainly would increase the rate of churn because there would be some individuals eligible for assistance who would not be able to meet those requirements. They would go off, but they would be unable to make ends meet without those benefits. They would reapply.

Mr. MCGOVERN. Right, and I would like to think that we all can agree that everybody who is eligible for this benefit should be able to get it, that we shouldn't be going out of our way to make it more difficult for eligible people to get a food benefit.

Mr. Tordella, I am concerned about the different ways of looking at the length of SNAP spells that you cite, and that some people get the mistaken impression that too many people receive SNAP for too long. Doesn't the program have an extremely low share of ineligible people participating, so if people receive benefits, aren't we pretty sure that they need help feeding themselves and their families?

Mr. TORDELLA. Sorry. None of our data actually reflect directly on whether they are—the people are ineligible, and we didn't choose to—so we didn't try to judge that or infer that. The differences—there are—in order to though get a complete picture of what is happening on SNAP, you have to look at both the short-term spells, that is, spells——

Mr. MCGOVERN. Right.

Mr. TORDELLA.—that have just started during the period that we observed, and be able to look at the longer-term spells as well, because those may be in progress when you start the study and they still can be going on afterwards. But with regard to the short-term spells and ⅔ are over within 2 years.

Mr. MCGOVERN. Right. Well, let me just ask anybody on the panel because this is a question that constantly gets raised that somehow that we have lots and lots and lots of ineligible people taking advantage of the system who are enrolled in this program. Does anybody want to dispute that? Dr. Ziliak?

Dr. ZILIAK. Yes, there is no evidence to back up that claim. I mean it is a very efficiently run program. The overall error rate today is around 3.2 percent. That is the benefit determination error rate. The number of individuals on the program who are ineligible is a very small fraction of the total caseload. The—these long spells that you pick up in the data are frequently people who are elderly or disabled, individuals who aren't in any physical capacity to exit to work and improve their economic situation.

So there are these long spells; it is a different population than the typical spell that we see on the caseload, which is a more dynamic population.

Mr. MCGOVERN. Anyone have a different opinion? Dr. Mills?

Dr. MILLS. If I could just expand on that response. The error rates in the program are now at all-time lows. If you look at the trend, it is dramatically down over the last 10 years. Some of the errors that actually occur and are detected through the quality control system are errors of underpayment. There are some individuals who actually are not receiving——

Mr. MCGOVERN. Right.

Dr. MILLS.—fully the benefit they are entitled to. Moreover, there are quality control reviews that indicate improper denials and terminations in the program, the phenomenon I mentioned about excessive procedural requirements. The other thing I will note is that other measures of integrity such as trafficking of SNAP benefits also show very low rates. Retailer trafficking is only about 1.3 percent, by the most recent estimates, of total benefits redeemed.

Mr. MCGOVERN. Sounds like a good, well-run program. Thank you.

The CHAIRWOMAN. I now recognize Mr. Davis, for 5 minutes.

Mr. DAVIS. Thank you, Madam Chair, and congratulations on chairing this Subcommittee. I am proud to be a part of it and proud to have you here on the House Agriculture Committee. Yes, and, Mr. Ranking Member, always great to spar with you, not only at the Committee level, but also at the Subcommittee level. And congratulations to you too, sir, but more congratulations to Jackie. That is just part of being in the majority. I apologize.

The CHAIRWOMAN. I can't give you any more time. Your time is ticking.

Mr. DAVIS. That is okay. I hopefully won't talk the entire time. I actually want to hear some information out of the panel.

Thank you for being here. Hopefully, what you have seen in the last 30 seconds is we actually do like to have fun up here.

I am a big supporter of children who are hungry getting access to the food and nutrition that they need, through the SNAP program or other programs. In the opening testimony, Ms. Cunnyngham, that you had mentioned some of the other programs that feed children and those who are in need of hunger assistance, besides SNAP. Can—and this goes to the whole panel. Is there any way, can you elaborate on some of the other programs that are available? Like I know I visited some schools, some summer lunch sites, during the summertime to feed kids who were part of the School Nutrition Program. And just one observation on the program that you decide to talk about that you think we can do as a Congress to make them more effective and more better. So we will start with you, ma'am.

Ms. CUNNYNGHAM. Sure. Well, there is the National School Lunch Program. There is the School Breakfast Program which is expanding in recent years. It serves breakfast to hungry children. There is the Summer Feeding Program that you discussed. In terms of recommendations, I know that there is a wealth of research out on those programs, and I can provide you some of those

studies. I don't have recommendations myself, but I do hope that you will look at the information that is out there.

[The information referred to is located on p. 149.]

Mr. DAVIS. I would be glad to get the information, but if you have recommendations, and that is what we are here for too is to—you are the experts, and I know for my purposes, I want to know what you think is going to make us be able to put better policy and to achieve the goals that we all have. Dr. Mills?

Dr. MILLS. Yes. I know this is the Nutrition Subcommittee after all, and one of my interests, and reflecting on other research I have done, is what could be done to enable these programs, the ones that have been mentioned, to promote better informed and more healthful choices on what individuals and families, and families with children in particular, consume.

I think there have been efforts, not only in the SNAP program and in other programs including WIC and school lunch and school breakfast, to encourage more consumption of fresh fruits and vegetables. You may be familiar with a—an experiment that is now ongoing in Massachusetts, and largely completed, called the Healthy Incentives Pilot in SNAP, and that is through price discounting of healthier foods, encouraging families to purchase those items and not others.

So, my own feeling, and based on my own research, is that the programs should try to strike a better balance between improving the income capacity and income supplementation, but at the same time, improving nutritional intake.

Mr. DAVIS. All right, well, thank you for—I am reclaiming my time real quick. Thank you for your comments on the School Nutrition Program. I agree, kids need to eat healthier, but we also have to provide the flexibility, that there is not a calm-down approach that we sometimes see, that forces school districts out of the School Nutrition Program. So I would love to work with you on that issue too.

Dr. Ziliak?

Dr. ZILIAK. Yes, thank you. So with the school feeding programs, it turns out that the SNAP program is oftentimes a gateway for children onto the school breakfast or lunch programs through the eligibility standards used for the school feeding programs, but it also works the other way around, that some of the school breakfast and lunch programs, children enter on SNAP after they go onto the school programs. And so there is a real important coordination between overall SNAP program with the school feeding programs that assist children.

Dr. Mills also mentioned the WIC program which, of course, is a very important nutrition assistance program for low income families, and also works in conjunction with the SNAP program. With children, what we are able to capture is kind of this more wrap-around food provision. There is a demographic of children who don't receive as much assistance in the school feeding programs, and that is teenagers, okay, the kids in high school. And so that is still a group that kind of falls through the cracks through some of these programs.

Mr. DAVIS. Thank you.

I think I am out of time, Mr. Tordella. Thank you.

The CHAIRWOMAN. The chair recognizes Ms. Adams for 5 minutes.

Ms. ADAMS. Thank you. Thank you, Madam Chair. And thank you to all who have testified today. I appreciate you being here. And I appreciate the hearings on SNAP that are driven by data and research. I am an educator by training, so I certainly appreciate that. And I hope that we are able to use the oversight hearings as an opportunity to learn how the program works, before we pass judgment on the people who receive the benefits.

Dr. Mills, your testimony included the recommendation for states to align the recertification dates for SNAP, TANF and Medicaid. How many states in the Southeast have implemented your recommendation?

Dr. MILLS. There are about 40 states nationwide, and I can provide for you information for the record as to who those states are, that do integrate the application process between SNAP and Medicaid, and some of those also extend that integration to other programs, including TANF.

I think the recommendation that I have is to ensure that that integration extends also to the recertification process, and that, for instance, the recertification dates that clients face be aligned so that they don't, within, let us say, a year-long period, face multiple deadlines. For many recipients, that is confusing and it is what leads, in part, to these procedural difficulties. But I certainly can provide to you information, especially about states in the South.

Ms. ADAMS. Yes, I would appreciate that.

Dr. MILLS. Yes.*

Ms. ADAMS. If you could tell me in terms of the churn program how many children are exposed to that program within the SNAP program, and how does it impact their access to free school meals through direct certification?

Dr. MILLS. Well, churning is the movement of cases receiving SNAP off the program and then back on within a period of 4 months. So it is the—some of what you have heard from the witnesses here is about length of time on the program. This really is more about brief periods off the program that we are talking about SNAP receipt, SNAP benefits.

Now, children, of course, are an important part of this program in general, and so not surprisingly a very substantial percentage of those who churn are families with children, approximately ½, and if you include also elderly and disabled—households with elderly or disabled members, it is approaching ⅔ of churners that have vulnerable individuals within the household. Individuals whose food security then is almost certainly adversely affected by the disruption of benefits.

Ms. ADAMS. Dr. Ziliak, besides the work requirement for able-bodied adults without children, how have other major policy changes, such as the expansion of the Earned Income Tax Credit, contributed to most SNAP recipients working while receiving benefits?

Dr. ZILIAK. So it turns out that the number one program that SNAP recipients receive after SNAP is the Earned Income Tax

*The information referred to is retained in Committee file.

Credit, and the program after that is the Child Tax Credit, and this comes from the same dataset that Mr. Tordella was using for his analysis. And so the program combines with SNAP, right, the Earned Income Tax Credit, is a work supplement, and for these households, SNAP is functioning akin to the EITC in providing some assistance to the family who are working in low wage occupations.

So in terms of other policies besides the EITC, the SNAP policy at the state level that have been implemented, for example, a number of states receive waivers to increase their vehicle asset limits, which facilitates the transition from welfare to work. There were increases in simplified reporting, so that made some of the recertification processes a little bit easier. Dr. Mills has talked about some of the challenges with recertification, but in the absence of this simplified reporting, undoubtedly, the churn would have been a lot worse over the last decade.

So things like expanded asset limits, expanded vehicle limits, simplified reporting, have all facilitated families' access to the program over the last decade.

Ms. ADAMS. Thank you.

Thank you, Madam Chair. I yield back.

The CHAIRWOMAN. The chair recognizes Mr. Abraham, for 5 minutes.

Mr. ABRAHAM. Good evening. Ms. Cunnyngham, I will reference your map. You don't have to put it back up there, so that any of you gentlemen and ladies can answer the question that you want to.

Just looking at the map, it looked like there were probably some demographic differences between rural and urban places, and if that is indeed the case, what is SNAP doing to address them on the Federal level, and what are the states doing to tailor their programs more to meet the differences in the need in the demographics between a rural and an urban population?

Ms. CUNNYNGHAM. That is a great question. States do have more flexibility now to tailor the program in their state to meet their population's needs. They do this through the expanded categorical eligibility rules. They can set income limits and, if they want, an asset limit for a household to receive a TANF-funded noncash benefit and become categorically eligible for SNAP. They still need to qualify for a benefit, and that benefit depends on their income, but if a state thinks that they ought to have a higher asset limit or no asset limit, or if a state wants to set the gross income limit for households with children slightly higher, or for households that only have elderly or disabled people, they are able to do that now through their categorical eligibility policies.

I am not aware of states specifically changing a program for rural *versus* urban, but they can definitely meet the needs of their population through——

Mr. ABRAHAM. All right, and I will just follow, Mr. Tordella, on your study of 25,000 people, what are the demographics of the study? Was it urban, was it rural, was it one particular state, was it several states across the nation, where did your population of data come from?

Mr. TORDELLA. The study of 25,000 people is the Census Bureau's Survey of Income and Program Participation, and it is designed specifically to measure trends in social programs like TANF, or——

Mr. ABRAHAM. I understand that, but do we know the demographics of the data? Was it mostly urban or mostly rural, or a combination?

Mr. TORDELLA. It was a nationally representative sample. And it started off with 52,000 households in 2008, and 25,000 households made it out the other end after having answered the questions. Every 3 months, or every 4 months, about all the people in their households. So they stuck it out with us.

Mr. ABRAHAM. Okay.

Mr. TORDELLA. But in order to compensate for those losses, if we had disproportionate losses in urban or rural places, we weighted the data to compensate.

Mr. ABRAHAM. Okay. And this is mainly just for the whole panel, whoever wants to join in can answer the question. It is my understanding that in the farm bill there is a pilot program for employment and training that is available, and I guess the question is, other Federal agencies also have these same types of programs. Just your opinion as to how that will work in the SNAP program as far as trying to get some of these folks a good job.

Dr. MILLS. I can just respond briefly. Of the households we were looking at, and I am trying to tie your question to this phenomenon of churn, about 40 percent of the households that churn are households with earnings, and even higher in some of these states. I think your question is really to the point of how can we increase the percentage of households receiving SNAP who have earnings. The evidence, and others can speak to this, is mixed on the effect of such policy changes. Principally the strength of the economy that increases the prospects for employment that would enable households to mix benefits along with earnings.

Mr. ABRAHAM. I guess my question, and looking in your crystal ball, do you think a program such as this would be beneficial?

Dr. ZILIAK. The issue is whether or not it is funded at the appropriate level to provide the adequate level of training for states to do it in an effective way in conjunction with the SNAP program. I think the view of SNAP as a safety net, a food assistance program and not a training program, is really kind of the crux of the matter. And the issue is, historically, there hasn't been the level of funding provided to the states to support the training initiative. These new pilot programs will certainly shed some light on the different types of training opportunities available to this population.

Mr. ABRAHAM. I am out of time, Madam Chair.

The CHAIRWOMAN. The chair recognizes Mr. Aguilar, for 5 minutes.

Mr. AGUILAR. Thank you, and congratulations, Madam Chair and Ranking Member. I look forward to these discussions.

Dr. Mills, if you could just continue to expand on that. I was interested to know the high rate of churn among the employed, which is kind of where you were going, I think. To what do you attribute that to?

Dr. MILLS. Well, in part, it is this natural phenomenon of individuals whose attachment to the labor force is a bit episodic, and we all know this, at the low income population, individuals with lower skill levels often hold jobs for short periods of time. They may take a job but then lose it soon thereafter. So it really is a proper functioning of the program in these situations, then when someone takes a job they go off the program because they are ineligible, but then they lose that job or maybe something else happens, maybe just hours are reduced, they are once again eligible and they reapply, come back on. However, in addition to that is the fact that there are more procedural requirements for individuals with earnings, to the extent that they have to provide verification of the amount of their income and deductible expenses to determine their net income on the program. So those requirements, whether it be forms or paystubs or other forms of documentation, are additional hurdles that one has to meet to stay on as an earner.

The objective should be to try to encourage employment, enable individuals to combine benefits from the program with their earnings so that they can achieve some upward mobility. To some degree, those procedural requirements, for income documentation, for instance, are difficult ones for earners to meet, and that is what causes some amount of churn.

Mr. AGUILAR. Oftentimes, there can be barriers and they can lead to additional churn, correct? So in the case where somebody picks up an extra overtime shift and works a little bit more, they could be deemed ineligible and contribute to the churn rate as well?

Dr. MILLS. That is true. I think what you are describing though is this phenomenon of the program operating as it should. So if you take more overtime hours and increase your earnings so that your income exceeds the eligibility threshold for the program, then properly, your benefits should be cut off. And if the program is operating as it should——

Mr. AGUILAR. In my opinion, unless it is seasonal work and someone went over by $60—which is something that I did hear—it isn't sustainable in that sense from their income standpoint.

Dr. MILLS. Yes. Well, that is a good point, and what you are raising are what I consider the basic eligibility requirements and rules for the program, those are clearly ones that should be considered——

Mr. AGUILAR. Sure.

Dr. MILLS.—as options before you in trying to address the problem of churn.

Mr. AGUILAR. Thank you. Thank you very much.

If I could switch gears a little bit. Dr. Ziliak, the 2014 Farm Bill established a new authority by the name of the Healthy Food Financing Initiative, and the goal was, "to support efforts to provide access to healthy food by establishing an initiative to improve access in underserved areas, and to create and preserve quality jobs." Can you explain how this program could affect SNAP participants as well as those who live in food deserts?

Dr. ZILIAK. That is a great question. The SNAP program, of course, can be redeemed for a whole host of food stuffs at the grocery store. Many of our low income families, especially in urban

areas, don't have ready access to the whole spectrum of foods that make up the Thrifty Food Plan that underlies USDA's plan for the SNAP benefit. Part of the goal, of course, with this change in legislation is to improve access to a wider array of healthy foods to some of these populations that we are still in the field with some of these demonstration projects: do people respond to these incentives to buy additional fruits and vegetables, and there is some limited evidence so far that they are showing some effect. There is a hopeful sign that if you provide access to the food, that people will buy it. Anything that we can do to improve access to nutritive food is a positive step for the program.

Mr. AGUILAR. Thank you very much. I appreciate it.

I will yield back, Madam Chair.

The CHAIRWOMAN. The chair recognizes Mr. Neugebauer, for 5 minutes.

Mr. NEUGEBAUER. Well, I thank the chair, and congratulations to her and the Ranking Member.

VOICE. Microphone.

Mr. NEUGEBAUER. Thank you for holding this hearing. I think this is a very positive thing for us to be looking at. It is a program that has been growing exponentially over the years, and what the statistics now indicate that one in seven Americans are on food stamps. For us to analyze what is going on within these folks, and more importantly hopefully, down the road, is trying to figure out a way to make sure that folks have an opportunity to move off of food stamps and to be self-sufficient.

Mr. Tordella, in your testimony, you stated that approximately 70 percent of the SNAP participants who exit the program do so because of substantial increases in income, or decreases in the number of family members. While these changes make sense from why participants leave the program, I am curious what your team was able to find out about the 30 percent of the participants that left SNAP. In other words, you said 70 percent left for either more—made more money, or the family size decreased, but those other 30 percent that left the SNAP program, what did you learn about them?

Mr. TORDELLA. Unfortunately, we couldn't really learn anything about them. The way that we analyzed the movements onto and off of SNAP was to take a 4 month window before somebody would go on, or a 4 month window after they went off, in order to see if certain events occurred so that we could associate those events. But we couldn't pin it down and say, "Well, that event actually caused one thing, or caused them to go onto or off of the program."

Mr. NEUGEBAUER. So how did you survey all of the people, in other words, did you make a contact with that individual, did you interview them or——

Mr. TORDELLA. This is a generic survey that covers a large section of the American population, and it tracks them for a period of 5 years, and actually tracked them from mid-2008 through the end of 2013. So it is trying to achieve many things at once, which is why we don't have a specific set of motivations for moving onto and off of SNAP, as you would like to have.

Mr. NEUGEBAUER. So how do you gather that data on a generic basis?

Mr. TORDELLA. It is gathered by the Census Bureau on a randomly selected sample, and they go out to these households once every 4 months and ask a set of very detailed questions about their income, occupation, education. This is for every single individual, age, sex, race, program participation, and their labor force participation, all those things all at once, and different types of income. So it is kind of the reprocessing of those data that allows us to infer what happened.

Mr. NEUGEBAUER. So what would your speculation be that if my income didn't increase and my family size didn't decrease, then—I mean I am trying to kind of get a feeling here where those 30 percent of people went.

Mr. TORDELLA. Where did that other 30 percent go? Unfortunately, I just don't have any empirical data that would tell me——

Mr. NEUGEBAUER. I think Dr. Mills has got his hand up.

Dr. MILLS. Yes, thank you. If I could just add. Some of those individuals are of the type that I was describing who have procedural difficulties. So there has been no change in their circumstances, their household composition and income has remained unchanged, but at the time of the recertification, they were unable to meet the procedural requirement to renew their benefits. And so they do go off, many of them for only a short period of time, and then they come back. So that is a form of exit from the program that certainly is, in part, explaining the 30 percent you referred to.

Mr. NEUGEBAUER. And, Dr. Mills, you mentioned in your testimony that overall, elderly or disabled members are less likely than others to churn in and out of SNAP, and this is due to them being able to wait longer to recertify. However, when specifically focusing on households that churn due to recertification, the opposite is true that these subpopulations are more likely than others to churn. Can you elaborate on that switch, and perhaps why you think this is how you see the recertification process negatively?

Dr. MILLS. Yes. It is a great question, and it is a somewhat complex story and it is important to understand because we are all concerned about food security for the elderly and disabled population. These are individuals who are typically assigned a longer recertification period in the program; typically, 24 months rather than the normal 12. So in that sense, they should be less vulnerable to these procedural problems that I described because they are—within any given year, it is less likely that they will have to renew their benefits. However, if one looks at those who are subject to recertification are reaching that moment in time where they do have to meet the procedural requirements, individuals with elderly or—households with elderly or disabled members are more likely to churn, they are more likely than other households to be unable to meet those requirements. It may be issues of cognitive decline——

The CHAIRWOMAN. I am sorry, I have to stop you, Dr. Mills. The gentleman's time has expired.

Dr. MILLS. Yes.

The CHAIRWOMAN. The chair recognizes Ms. Lujan Grisham for 5 minutes.

Ms. LUJAN GRISHAM. Thank you, Madam Chair, and I share my congratulations with the Chairwoman and the Ranking Member, as my colleagues have, and am delighted to be here. The SNAP pro-

gram and nutrition programs are very important to me. I spent 17 years in state government as a cabinet secretary for both the Department of Health and Aging, and worked diligently to work on more coordinated benefits between general funded or state funded programs for home-delivered meals, Federal dollars for that, and the SNAP program so that it is not just one meal a day, and 5 days a week, because we know it is untenable, it is immoral, and it also creates significant health issues that we pay for, all of us, later. Sometimes not that much later.

And so, Dr. Ziliak, I know many Members have touched on this, but I want to go back to maybe the specifics related to the composition of SNAP beneficiaries and what happens to them. And in your testimony, you said that 47 percent of SNAP participants who exited the program reenter within a year, and that families return to SNAP more quickly than individuals without children. And I wanted to hit on one of those.

One of those families that you described lives in the district that I represent. LaNae Havens is a single mom, she works full-time, doesn't make very much money, and she relies on that small amount of benefit that she receives through SNAP to provide for her son, Connor. Now, she described to me that when she picks up extra hours or gets a promotion, then the benefit is taken away. And we talked about that as the cliff effect, and I wanted to really put that in perspective for folks in the hearing. So here is the example. If a parent with one child, working 40 hours per week, is earning the Federal minimum wage of $7.25 an hour, they get a raise, say, in my district, in Albuquerque, to the Albuquerque minimum wage at $8.50, then she would receive $208 more per month in salary, but she loses $683 in benefits. She sees a reduction in her housing assistance, her SNAP benefits, and loses childcare entirely. These parents are trying to do the right thing. They are accepting these promotions, they are trying to get out of poverty, they are going back to school, they are enrolling in the required training and work program, they are doing it on their own even when they are not required, they are seeking better opportunities, and we pull them right back into poverty because they lose the benefits, have to pay far more, or worse yet, they don't have anything and now we have an unstable household. So I want to support those parents that are making some progress, and I don't think we ought to be taking these benefits away.

Based on your studies, do you have recommendations for us about how we can help these families transition into better financial circumstances, without them having to lose everything that we have put together to create that stability?

Dr. ZILIAK. Perhaps when thinking about this single mother, when she gets the raise, one of the things that was part of the 1996 welfare reform bill when moms were leaving AFTC and then the TANF program, they would, at some point in time, lose Medicaid, but it was usually offered for a year, okay, transition. So if you want to think about some innovation on SNAP, perhaps when there is an increase that makes them ultimately perhaps ineligible, that there could be a transition period, right, where they can maintain that support for some period, 6 months, 12 months, into the future so that they don't feel that cliff immediately, and so they

can gradually—because we do want people to move up the wage scale, right? There is no question about that. And——

Ms. LUJAN GRISHAM. And I am going to reclaim my time for a moment. If that would be consistent with other benefit programs, as you have identified, because the current system does not incentivize. And I want to be careful that I am not picturing or creating an environment in my discussion that my constituents and others, purposely back off being promoted. It is a hard life being at poverty or just above, and I can't believe that anyone wants to be there, and yet we disincentivize them because there is fear. And it may be that we need flexibility in that protection for a year, and give folks the sense that we really are trying to help them get that leg up, because I don't think that they really believe that. It is a very punitive environment. Once circumstance changes, if you don't tell us, we will recoup and sue you and you won't be able to do it ever again, you are barred, or we take everything away from you and you fail.

Dr. ZILIAK. So it turns out the research suggest that in terms of, is SNAP a kind of a disincentive to work, and there is—the program overall—is not a disincentive for people to work, but there are people who reach a little higher up in that income distribution, right, just before the SNAP benefit is to be eliminated, and the size of their Earned Income Tax Credit is being taxed away. Those are some of those individuals, right, who are just about ready to make it, right, where those benefits are being taken away at a relatively fast rate. So the programs, we do see, certainly, some evidence of disincentive for some of that population. Other of the population that they combine where their Earned Income Tax Credit——

The CHAIRWOMAN. Excuse me. The gentlelady's time has expired.

Dr. ZILIAK. Sure.

The CHAIRWOMAN. The chair recognizes Mr. Benishek, for 5 minutes.

Mr. BENISHEK. Thank you, Madam Chairman.

I, frankly, while I associate myself a bit with Ms. Lujan Grisham in that there is a transition problem that we need to address. I know there is a transition program that exists now for a period of months, I believe, when this happens, but I am not as familiar with that as I would like, but this is a common problem. But I do want to address a question that I have about—and I am not exactly sure how to handle it, but to me, it seems like many of you are talking about fewer interactions with the people that were receiving benefits, and the length of—I don't know—I can't remember who it was that was talking about the 3 hours that it took to—a caseworker to do benefits with someone. Well, frankly, if we are going to have a program that helps people get food, then we should be interacting with them on a regular basis, and not just give them their benefit for a year and then have them check in once a year to see if there is a benefit. I think there should be like some counseling going along with this, and that we should have a regular interaction and not just, here are your benefits, see you in a year or see you in 6 months. I think that there has to be more to it than that. And, frankly, I didn't hear any of you talk about anything like that, and so I—those are my comments. But I want to hear a little bit more about the reporting requirements in the—what exactly happens if

somebody has a—with the simplified monitoring and that—if somebody has an increase in their income, are they supposed to call you, or does the agency call them, or how does that work? Dr. Mills, you seem to be——

Dr. MILLS. If I could respond.

Mr. BENISHEK.—eager to answer that.

Dr. MILLS. Yes. Typically, what occurs is an individual is assigned a certification period, let us say 12 months. At the end of that 12 months, there is a complete review of all eligibility requirements that one needs to meet to remain on the program. At 6 months, however, there is an interim report that households would typically have to provide if they have a change in their household composition, or a change in their income that would alter their eligibility. So it is their requirement, their obligation to provide that information to the——

Mr. BENISHEK. What happens if they don't do that then? What happens then?

Dr. MILLS. Well, if they don't provide the report at all, then they have failed to meet a procedural requirement and would be removed from the program. If they provide the report but it is inaccurate, they would receive an incorrect benefit. They would continue to be on the program receiving a benefit that could be too high or could be too low for them, and that is what is picked up in these error rates that we were——

Mr. BENISHEK. Well, I guess I had a little bit of a problem, and you referred to like filling out a form as a hurdle. I have a—really, I have a problem with that attitude, to tell you the truth, because I have to fill out a form to do my taxes, and I just don't think of it as a hurdle, I think of it as a requirement in order for me to be obeying the law.

Dr. MILLS. Absolutely.

Mr. BENISHEK. And I just think that the attitude that there is a hurdle is the wrong attitude because I don't like filling out forms either, but the law requires me to do it. And to, I don't know, change the way we do things so that it minimizes the hurdles is contrary to having good oversight to the program too.

Dr. MILLS. Yes. No, you are really getting into a very important point. I think the point I was trying to make is that it is the information that we want from the client, in order to accurately provide a benefit to them, and are there ways to obtain that information with less burden upon the client. So for instance, I mentioned call centers, using centralized agency call centers so individuals don't have to——

Mr. BENISHEK. I don't understand what you mean by burden on the client.

Dr. MILLS. Well, I mean time and maybe out-of-pocket expense in their having to travel to a local office, rather than being able to provide information by phone. Some agencies require a face-to-face interview with a caseworker, others allow that interview to take place by phone.

Mr. BENISHEK. How often do you think that we should be interacting with these people that need our help?

Dr. MILLS. Yes. Well, the intervals of time are appropriate. I think it is really more the form of the interaction.

Mr. BENISHEK. So 6 months or a year then?

Dr. MILLS. Yes. I think——

Mr. BENISHEK. Six months? Ms. Cunnyngham, what do you think?

Ms. CUNNYNGHAM. I think I would agree that that seems an appropriate amount of time, given that households need to report changes in their circumstances. If something happens, if they have an increase in their income, if they get a different benefit from another——

Mr. BENISHEK. I am sorry, when the Chairwoman starts tapping, that means we have to stop.

The CHAIRWOMAN. The chair recognizes Mr. Moolenaar, for 5 minutes.

Mr. MOOLENAAR. Thank you, Madam Chair. Thank you for your testimony today.

And I wanted to share with you a situation that I experienced when I served in state government in Michigan, and it has to do with a lottery winner who won in excess of $1 million, and was continuing to use food stamps, was encouraged to do that by our Department of Human Services, saying that it was part of the law. I ended up introducing a bill that required notification to our Human Services Division, as well as unemployment insurance agency of lottery award winners, and I believe we have closed some kind of a loophole there because it was considered more of an asset than an income. I know there was some language in the farm bill that referenced lottery winners and—ending Supplemental Nutrition Assistance Program benefits. If a member receives substantial gambling or lottery winnings, and that is determined by USDA to what is substantial, and then states shall establish agreements in the situation, but they can actually continue to receive SNAP benefits once they meet normal income and resource standards.

I guess my question is, are all the states different with that regard, if there is a categorical eligibility and a state determines that they don't have an asset test, how is that handled state-to-state? Yes, sir.

Dr. ZILIAK. Most states do have a limit, and it is not unlimited in the SNAP program. And so there is some state discretion. It is Federal law, right, for resource limits, and then states apply for the waiver for those resource limits until——

Mr. MOOLENAAR. What is the resource limit?

Dr. ZILIAK. Federally for the nonelderly, nondisabled, it is $2,000, and it is $3,000 for elderly and disabled: $3,250 I believe today. And——

Mr. MOOLENAAR. Okay.

Dr. ZILIAK.—it has been $2,000 since the early 1980s, so that hasn't changed for a long time.

Mr. MOOLENAAR. I guess my question is, so in that case when that person had won in excess of $1 million, the department was saying that was acceptable to stay on——

Dr. ZILIAK. At the time——

Mr. MOOLENAAR. That was in the last 5 years.

Dr. ZILIAK. Right. At the time, the State of Michigan had waived the asset limit. And so there are roughly ½ dozen or so states that had waived completely that—the asset test.

Mr. MOOLENAAR. Okay, are there states that have waived that at this time?

Dr. ZILIAK. Yes, I think that is—yes.

Mr. MOOLENAAR. How many states?

Ms. CUNNYNGHAM. I could speak to that. There are about 39 states, the District of Columbia, Guam, and the U.S. Virgin Islands, that have broad-based categorical eligibility programs, and only five of them currently have some kind of an asset requirement to that.

Mr. MOOLENAAR. So the——

Ms. CUNNYNGHAM. Now, that doesn't apply to everybody in the state. There are some income limits there too, so it is specific groups that the state has chosen to exempt from the asset limit.

Mr. MOOLENAAR. So I guess what you are telling me is there are a significant number of states that have waived the asset limit? And so this could be happening in various states.

Ms. CUNNYNGHAM. It could be. States have the option, and Michigan is one of the states that did implement an asset——

Mr. MOOLENAAR. We changed it. Yes.

Ms. CUNNYNGHAM. Yes. And several other states recently have decided to implement an asset limit.

Mr. MOOLENAAR. So I guess my question is, you have done a lot of studies on this, on the program, and you are talking about the efficiencies, and some of the wording was, there weren't many error rates and—would you have picked this up in an error rate, or would that just be considered normal policy implementation?

Dr. MILLS. The household would have been considered correctly paid because, by the rules that were in place at that time, they were regarded as eligible.

Mr. MOOLENAAR. So when you say the program is being run well, that is according to the criteria that would allow $1 million lottery winner to continue on food stamps?

Dr. MILLS. That is how the quality control reviews are conducted. They take the law, the regulation, and then say what is the correct benefit, given those rules, to——

Mr. MOOLENAAR. Seems like that would need to change. Thank you.

The CHAIRWOMAN. The chair recognizes Mrs. Hartzler, for 5 minutes.

Mrs. HARTZLER. Sure. And I want to also congratulate you and the Ranking Member. I am looking forward to working with you on this very important issue, and thank you for being here today.

As I start off with Dr. Mills, I worked with senior citizens for quite a while over my life in different ways, and I just wondered, can you explain further the pattern of SNAP churn for households with the elderly? One would expect that these households have a low rate of churn given their longer certification periods and stable financial circumstances, but if I understood right, your study finds that they are more likely to churn compared to others facing recertification. So can you expand on that please?

Dr. MILLS. Yes. My comment in the testimony was with respect to those who reached the point where required certification must be made in order to renew their benefits. If you look at individuals at that moment in time, and you ask which are the ones who are

more likely to churn, that is to say, more likely to go off the program than come back, households with elderly or disabled members are more likely to lose benefits at that moment, but then come back onto the program, suggesting that they were eligible throughout, but simply were unable to meet the procedural requirement. So that is the sense in which elderly or disabled individuals are more vulnerable to churn than other types of SNAP recipients. It is that—and the reasons are not altogether clear. We did conduct focus groups with recipients. And here is where we get to the issue of forms and documents and visits to the local office that may be required, those may be difficult for older or disabled individuals to meet those requirements, whether it is their inability to drive, or other cognitive decline issues that they are facing, the requirements are difficult for them to meet.

Mrs. HARTZLER. What is the percentage of elderly households that are on SNAP? The general population.

Dr. MILLS. I think I would defer to——

Mrs. HARTZLER. Okay.

Dr. MILLS.—others on that.

Mrs. HARTZLER. Right.

Ms. CUNNYNGHAM. I could give you the percentage of elderly people who are eligible. I will need to get back to you with that.

[The information referred to is located on p. 152.]

Mrs. HARTZLER. Okay, that is certainly fine.

Dr. ZILIAK. May I?

Mrs. HARTZLER. Yes.

Dr. ZILIAK. It is 35 percent of eligible seniors are on the program today. So given that they meet the income and asset limits, all right, only 35 percent of those who are currently eligible participate.

Mrs. HARTZLER. So you are saying——

Dr. ZILIAK. So it is very low.

Mrs. HARTZLER.—there are 65 percent of elderly out there who qualify, but they are—they don't receive the benefits.

Dr. ZILIAK. That is correct.

Mrs. HARTZLER. And what would you attribute that to? Just the barriers of the paperwork?

Dr. ZILIAK. A lot of it is barriers. Some of it could be mobility issues for them as seniors. Some of it could be that the benefit, the minimum benefit is $16, and so——

Mrs. HARTZLER. Yes.

Dr. ZILIAK.—at the end of the day, the benefit might be too low for them, given the costs associated with applying.

Mrs. HARTZLER. Yes. Or just pride.

Dr. ZILIAK. Or pride.

Mrs. HARTZLER. But——

Dr. ZILIAK. Yes.

Mrs. HARTZLER.—and how did you get that number?

Dr. ZILIAK. It is from the quality control data. From the SNAP administrative quality control data.

Mrs. HARTZLER. Okay. Switching gears a little bit, and to open up to any of you who would like to answer, how has the income structure for SNAP households evolved? So has there been a change in the household structure over the years, and is that re-

lated? Maybe start with Mr. Tordella. You have done your longitudinal study.

Mr. TORDELLA. Well, over time, the—I am sorry. There has been a drop for individuals and families with income. They have—during our study period—they actually had a drop in their average monthly entry rate, which decreased the growth in that size. So the people who have earnings, who do have some earnings, are leaving the program, or accounting for fewer.

Mrs. HARTZLER. Anybody else want to weigh in on that?

Ms. CUNNYNGHAM. Sure. Looking at the percentage of households who have earnings, that has increased slightly in the last decade or so. In 2004, about 29 percent of SNAP households had someone in the household with a job, and that has gone up to 31 percent now. So that is a change. We also see that the percentage of the caseload that has income under 50 percent of the poverty guideline is slightly increasing, as is the percentage of the caseload that has income over 100 percent of the poverty guideline.

Mrs. HARTZLER. Thank you very much.

The CHAIRWOMAN. The chair recognizes Mr. Yoho, for 5 minutes.

Mr. YOHO. Thank you, Madam Chair. Congratulations. Since we came in together, I am impressed with you. And I look forward to listening to you because I know the concern in this Committee is, like we talked about yesterday, there is a certain percentage of people on the nutritional programs that we have seen are working the system, some are taking advantage of it, and we need to reform it for those people that truly need it. I mean that is, I think what everybody on here is for. We want the best program we can so that people get the best nutrition they can while they need that.

And, Ms. Cunnyngham, I was reading my notes, and I need some help with the math here, since you are from the mathematics part of this. In 2013, I have 44 percent of the people who were less than 18 that were on SNAP, 18 years of age, nine percent were over 60 years of age, and ten percent were disabled. What accounts for the other 37 percent because that wasn't mentioned? Who are those?

Ms. CUNNYNGHAM. The numbers that I gave in my testimony were for households with children, elderly people, or people with disabilities. If I could just talk about participants here, the percentage of participants who are children is now 44 percent. The percentage that are elderly, that is nine percent. And the percentage that are nonelderly adults, that are 18 to 59, is 46 percent. The percentage that are disabled, that includes children and nonelderly adults, is 20 percent. So——

Mr. YOHO. Does that add up to 100? I didn't write those down. I am sorry.

Ms. CUNNYNGHAM. Well, the percentage that is the disabled is an overlap between children and nonelderly, but——

Mr. YOHO. All right. Is there a place that I can get the breakout of that so I can see 100 percent who is on this?

Ms. CUNNYNGHAM. Absolutely.

[The information referred to is located on p. 153.]

Mr. YOHO. Okay. We will get that later.

Ms. CUNNYNGHAM. Our characteristics report.

Mr. YOHO. That is great. And then we were talking about the churn rate, and I had in my notes here also that there was a self-

reporting, and I think it was Mr. Abraham was talking about this and Mr. Benishek, about the self-reporting. Do you feel that is something that is adequate, or does there need to be, as Mr. Benishek brought up somebody working with them? And I bring that up strictly for this. We had a Section 8 house that we rented out to a family, there were about eight kids in that family. Single mother, she was working, and as she was working, making more money, the benefits she was receiving dropped in relationship to the amount she had. It was a monthly thing that she was checking in on. And in order to wean people off of this, because my next question is, as I will come to in a minute, what happens is people start working, and then if we are taking money away from them, as they are trying to get out of that hole, they never get out of the hole because we have a thumb on them. And what I want to hear from you is what you guys think we should do, how to reform that program so we want people into the—we actually—we don't want them in there, we would rather have everybody off of it and self-sufficient, but we know that is not going to happen, but the people that get in there, we want them up and out so that they are on their own and they are living a better quality of life. How do we do that in a reform of a program like this? I will start with you, Ms. Cunnyngham. Sorry.

Ms. CUNNYNGHAM. Well, currently, there is an earned income deduction, so 20 percent of a household's earnings is deducted from their gross income and not considered in their benefit determination. So I suppose if you wanted to encourage work, and to——

Mr. YOHO. Which I do.

Ms. CUNNYNGHAM. Yes. And ease that drop-off, one possibility would be to look at the percentage of earnings that——

Mr. YOHO. Well, and one of the statements that I—or statistics I had, 70 percent of the SNAP households had no income in 2013.

Dr. Mills, if you would, how do we change that program so that we can get people in, up and out?

Dr. MILLS. Yes. Well, part of getting up and out is combining, I would say, the value of benefits from the program with your earnings so that you can sufficiently make ends meet, save, educate yourself, take advantage of opportunities.

Mr. YOHO. We say those things, but what are we doing to make sure that happens?

Dr. MILLS. Yes. Well, I think——

Mr. YOHO. Is there a mandatory requirement that you better your lot in life with education or skills that you learn on these programs?

Dr. MILLS. Yes.

Mr. YOHO. Because I saw the average person on them is on there, once they enter, it is 8 years.

Dr. MILLS. Well, that is of those who are measured at any single point in time, but as Mr. Tordella indicated, of those who come in at any given point in time, if you look then a year later, ½ of those individuals have left.

Mr. YOHO. And I know we are out of time, but I look forward to getting more information so that we can fix these programs. Thank you.

The CHAIRWOMAN. Thank you to all the members of the panel. I definitely appreciate your expertise. Thank you to the Members that were here that had a chance to ask questions. And the chair wants to give just a brief closing statement, Mr. McGovern and myself 35 seconds.

Mr. McGovern, 35 seconds.

Mr. MCGOVERN. Well, thank you very much. Thank you very much for being here. I have learned a lot.

I want to clear up a few things for the record. Millionaires on SNAP. It is not a problem. We fixed it in the farm bill. It is right here. And to be honest with you, if I was a millionaire, I don't know why I would want to be on SNAP. It is a nonissue.

We have learned a lot here today, one, that there are very few ineligible people on the program; two, that this is a very efficiently run program; and three, that many families lose benefits because of the procedural problems.

And to Mr. Benishek's issue about burdens, it is a burden for somebody to go in person to an office that may not be near where they live, and sit there and wait for sometimes 3 to 4 hours for this process to take place, and if they are working, getting permission to leave their job to be able to do that. So it is a burden.

And then the final thing I would say is that Ms. Lujan Grisham raised the issue of the cliff. There are some things that we are doing to address that, but this is a wider discussion. The SNAP program is a food program. It is not a job training program. It is not a jobs program. And we need to make sure that everybody in this country has access to food. Food ought to be a right, and this is a program that works, and I thank the chair for the generous 35 seconds.

The CHAIRWOMAN. I think you went to 40, but it is okay.

And I just want to say this. I think what we saw here today is exactly why we need to have this discussion. I think back to my original question on: are we really meeting the needs of families, are we doing enough, are we in touch enough, are we really moving people from a program to being able to put them in a position of success, if they fall back, are we there, do we know that. And I think that that is the validity of exactly why we are here. I appreciate the discussion on both sides. I appreciate, again, your expertise. And the reason these hearings are so valuable is to be able to hear fact, be able for Members to ask questions, and then to have a dialogue at a level that there is a give-and-take of understanding that our goal is to remove the obstacles, and make sure that every child and adult in this country has the opportunity to have a nutritious meal.

And with that, I would tell you that Members are voting. Under the rules of the Committee, the record of today's hearing will remain open for 10 calendar days to receive additional material and supplementary written responses from the witnesses to any questions posed by a Member.

This hearing of the Subcommittee on Nutrition, is adjourned. Thank you.

[Whereupon, at 2:47 p.m., the Subcommittee was adjourned.]

[Material submitted for inclusion in the record follows:]

SUBMITTED REPORTS BY HON. JACKIE WALORSKI, A REPRESENTATIVE IN CONGRESS FROM INDIANA

Insert 1

Lottery Match Report 2014

Department of Human Services

October 2014

Dear Members of the Michigan Legislature:

We are pleased to highlight the Lottery Match accomplishments in the past year. This report builds on the first Lottery Match report DHS issued in the spring of 2013.

The premise behind Lottery Match is simple: Be a good steward of taxpayer dollars and stop those gaming the system to help those most in need.

Under Public Act 77 of 2012, a weekly cross-check allows DHS to accurately evaluate a recipient's eligibility since lottery winnings can be considered assets in some instances—like the Food Assistance Program and State Emergency Relief (SER). Asset tests are now conducted in these areas.

Some 7,216 Michigan Lottery winners of $1,000 or more were matched and identified in 2013 as living in households that were receiving some sort of public assistance. This adds up to nearly $44 million in lottery proceeds with average lottery winnings of $6,056 per case. Federal and/or state law still prohibits closure of many assistance benefits to the majority of Michigan lottery winners who are matched. This means a multi-million dollar lottery winner can still qualify for certain assistance and benefits.

Clearly, there is potential for big savings should regulations be changed to allow for lottery winnings to be considered assets when determining eligibility for certain Federal assistance programs.

Of these total cases, DHS closed 810 cases receiving 977 benefits among recipients who had lottery winnings of more than $1,000. Most of these benefits closures involved food assistance, followed by Medicaid. While modest when compared to the total number of lottery winners who also receive assistance, these closed cases represent nearly $2 million in savings.

When state and Federal law allows a recipient's benefits to be closed due to lottery winnings, the benefits *have been closed.*

Big Lottery Winners = Benefits Closure

In 2013, 18 lottery winners of jackpots valued at $100,000 or more were receiving public assistance benefits in Michigan at the time they won. Seven of those cases involved Food Assistance Program benefits, including one in which the lottery winnings were in the millions. Thanks to the Lottery Match law, DHS quickly closed that case.

Recently, an even larger winner of more than $4 million was identified rapidly thanks to the match. That recipient's food assistance case was also shut down immediately.

Where allowed by law through the Lottery Match, DHS continues to successfully identify and close assistance benefits.

Early Identification = Quicker Closure

With the match, DHS has improved the rate and shortened the time frame it takes to identify winners.

In addition, DHS frontline workers are often identifying winnings before the client has reported them to DHS, as they are all required to do.

DHS Office of Inspector General (OIG) agents take a closer look at all cases involving winnings of $5,000 or more.

OIG reports very few cases where the frontline lottery match failed to identify and close a case the first time through.

By quickly identifying lottery jackpot winners, DHS has identified another area of potential savings—households containing both lottery jackpot winners and clients who claim to buy and prepare their meals separately. Eliminating duplicate food assistance groups in one household could result in significant savings.

Farm Bill of 2014

The most recent farm bill merits a special mention for a current reform opportunity on the Federal level. The major item pertaining to the lottery is this directive from section 4009 (emphasis added below):

> *"Any* ***household*** in which a member receives substantial lottery or gambling winnings, as determined by the Secretary, shall lose eligibility for benefits immediately upon receipt of the winnings."

This would constitute a major change from the current stance related to food assistance. While Federal regulations that would implement this section have not yet been written, this change to Federal law is an important step in the right direction toward curtailing fraud/waste of public assistance dollars.

Strengthening State Law

DHS appreciates the continued partnership with the Michigan Legislature in the effort toward reform and change. After the release of the first Lottery Match report in 2013, Members in both the Michigan House and Senate expressed interest in doing more and the following legislation was introduced:

SB 338 (Emmons)—Requires an asset test for the Child Development Care program, now housed in the Michigan Department of Education.

SB 339 (Moolenaar)—Requires the payback of certain public assistance through means of a lottery intercept.

SB 384 (Moolenaar)—Allows for the withholding of a lottery prize over $600 consistent with SB 339.

HB 4855 (Kurtz)—Allows for the withholding and intercept of lottery prizes over $1,000 for debts owed to DHS.

Each will help DHS ensure that taxpayer dollars are used efficiently and effectively, and targeted to those most in need. DHS looks forward to continuing to work with sponsors and supporters of these bills as they move through the legislative process.

Next Steps

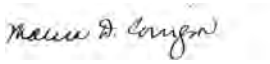
With many lottery winners either receiving assistance benefits or living in a household where others receive benefits, the integrity of state and Federal safety net programs is still at risk.

Taxpayers do not like it when people game the system. They rightfully reject the premise that those who have won thousands of dollars should continue to benefit from programs aimed at providing a helping hand to the truly needy.

The data available by cross-checking lottery winners with benefits recipients in this latest report indicates more than ten percent of the winners will be required to put their proceeds towards self-sufficiency. While the lottery match works, Federal and state law often conflict, prohibiting an asset test in some instances and allowing recipients with thousands of dollars at their disposal to continue on assistance.

DHS will continue to advocate for change, advocate for clients who strive toward self-sufficiency and advocate always for maintaining the integrity of these vitally important assistance programs.

Sincerely,



MAURA D. CORRIGAN,
Director of the Michigan Department of Human Services.

Insert 2

Department of Human Services

Preserving Assistance for Our State's Truly Needy

Calendar Year 2012 Report

Lottery Winners and Welfare Programs: Verifying Assistance Program Eligibility for Lottery Winners

In April 2012, Public Act 77 of 2012 became effective, requiring the Michigan Department of Treasury and the Department of Human Services to automatically crosscheck lottery winners with people receiving welfare benefits. Lottery winnings are an asset. With asset tests in place for programs including food assistance and state emergency relief, this monthly cross-check allows DHS to more efficiently evaluate a recipient's eligibility.

The data collected thus far is sobering:

- Nearly 14 percent of all lottery winners are either welfare recipients themselves or reside in a household with welfare recipients.
- Of the 3,544 lottery winners who were identified as welfare recipients or living with welfare recipients between April 2012 and December 2012, DHS was able to close only 565 cases. In the vast majority of these cases, Federal policy prohibited closure despite sometimes large winnings.
- Those recipients accounted for $24,101,074 in lottery winnings during that time frame, an average of $6,800 per case.

Welfare benefits should be preserved for those truly in need. The lottery crosscheck legislation has provided DHS with a valuable tool. It has also highlighted policies Federal and state authorities should change to protect the integrity of welfare programs.

An Overview of Welfare Programs with Asset Limits

Some welfare programs allow for—and have established—asset limits:

- Food Assistance Program
- Family Independence Program (cash assistance)
- Most Medicaid programs

- State Emergency Relief
- State Disability Assistance
- Refugee Assistance Program

But other welfare programs do not have asset testing, including Child Development and Care (CDC), certain Medicaid programs like Healthy Kids, Group 2 Pregnant Women, Transitional Medical Assistance Plus (TMA-Plus) and the Refugee Assistance Program for Medical.

The absence of any asset limits and other policies creates significant barriers to the preservation of welfare dollars for the truly needy.

In reviewing the data surrounding our lottery crosscheck policy, DHS has identified three primary barriers.

Barrier One:

Medical Assistance Programs That Lack Asset Tests

The major hurdle with respect to these programs is that any changes that would require an asset test are impeded by Federal Medicaid law and the recent Affordable Care Act. These limit the states' abilities to change eligibility standards for Medicaid. To add an asset test to Healthy Kids' eligibility criteria would make it more restrictive than it now is. Similarly, the Affordable Care Act's maintenance of effort requirements prevent states from scaling back their coverage during the period in which the new health care program rolls out.

The four primary medical programs without any asset test are:

- Healthy Kids [1]
- Healthy Kids for Pregnant Women [2]
- Transitional Medicaid Plus [3]
- Refugee Medical Assistance [4]

Scenario: [1]

Medical Assistance Programs That Lack Asset Tests

While pregnant and receiving Medicaid through the Healthy Kids and Pregnant Women Program, Sue Smith won $300,000 in the Michigan Lottery. Despite her significant winnings, Federal policy required that Ms. Smith continue to receive Medicaid. Ms. Smith's coverage continued for 2 months past the birth of her son, as required by policy. Her son continued to receive Medicaid for 1 year past his birth. The Medicaid capitation rate is $268 monthly, which equates to a potential benefit cost of $6,164 for the two recipients regardless of the $300,000 lottery winning.

The Medicaid capitation rate is $268 monthly, which equates to a potential benefit cost of $6,164 for the two recipients regardless of the $300,000 lottery winning.

Barrier Two:

Child Development and Care Does Not Allow for Asset Tests [5]

Child Development and Care (CDC) is a program formerly housed within DHS and now administered by the Michigan Department of Education (MDE). While the state has the ability to require an asset test, Michigan currently has no asset test in place for the CDC program.

Scenario: [1]

Child Development and Care Does Not Allow for Asset Tests

John Smith currently receives CDC benefits for his three children. He recently won $33,000 in the Michigan Lottery, but continues to receive welfare in the form of child care benefits.

Because CDC does not have an asset test, the Smith family will continue to receive $1,000 in child care assistance each month.

Barrier Three:

The FNS Buy and Prepare Statute for Food Assistance

USDA Food and Nutrition Services (FNS) under Federal law [2] requires states to consider a person who "customarily purchases food and prepares meals for home

---

[1] *http://www.mfia.state.mi.us/olmweb/ex/bem/125.pdf; http://www.mfia.state.mi.us/olmweb/ex/bem/129.pdf; http://www.mfia.state.mi.us/olmweb/ex/bem/131.pdf.*
[2] *http://www.mfia.state.mi.us/olmweb/ex/bem/126.pdf.*
[3] *http://www.mfia.state.mi.us/olmweb/ex/bem/647.pdf.*
[4] *http://www.mfia.state.mi.us/olmweb/ex/bem/630.pdf.*
[5] *http://www.mfia.state.mi.us/olmweb/ex/bem/400.pdf.*

consumption separate and apart from the others" as a distinct household group, even though they may reside in the same house with others.

This allows a lottery winner to have an individual case isolated from other household members, while other persons within the home continue receiving benefits.

It also opens the door to fraud and abuse within the Food Assistance Program. By creating distinct groups within the home, recipients can drastically increase the amount of food assistance received. The difference can total hundreds of dollars per month.

Eligibility specialists are now required to ask the "buy and prepare" question in a manner that leads the applicants to answer most often that, indeed, they do buy and prepare their food separately. While Office of Inspector General agents investigate these cases aggressively, it is obviously difficult to prove that the household does buy and prepare their food together.

Scenario: [1]

The FNS Buy and Prepare Policy for Food Assistance

Robert Jones lives in a home with his two adult children. Mr. Jones recently won $125,000 in the Michigan Lottery. While the asset test affected Mr. Jones' food assistance benefit, it did not affect his children's individual benefits.

By declaring that he, his daughter and his son **each** purchase and prepare their food separately, the household will continue to receive $400 per month in Federal food assistance regardless of Mr. Jones $125,000 lottery winning.

Households in which several individuals with children reside can potentially receive thousands of dollars of monthly benefits by claiming that each group purchases and prepares food separately.

Opportunities:

Two current examples may show the path forward:

New York Lottery Intercept Program

New York uses a lottery intercept program for the repayment of public assistance under state law. This program is established specifically for the New York Department of Social Services. Under current New York law and code,[3] up to 50% of any lottery prize of $600 or more is intercepted from any individual who has received public assistance benefits within a period of up to 10 years prior to the issuance of the prize. This legislation was passed in 1995 and took effect April 1996. The philosophy in New York focuses on the repayment of all assistance, not only on debts or overpayments from public assistance. The proceeds from the intercept are applied to a client's oldest eligible assistance payment first, and payments issued to a client under the age of 21 are excluded. The lottery winner is afforded certain protections, including notice. In the first year of operation, the intercept collected over $1.5 million; over $3.7 million was collected in Fiscal Year 2010–2011. Since 1996, the lottery intercept has collected more than $33 million.

Opportunities:

Michigan: Unemployment Insurance Agency, amendment to the Lottery Act.

Michigan also uses a lottery intercept system. At the end of the 2011–2012 legislative session, the Unemployment Insurance Agency led efforts to successfully pass legislation [4] that amended the Lottery Act. This amendment requires payment of a lottery winner's unemployment compensation debt from a prize of $1,000 or more, after other priority distributions of the prize are made. The following priority of payments exists under the current Lottery Act: first, to any liability to the state, other than an assigned delinquent account owed to a court or an unemployment compensation debt; second, to any support arrearage; third, to any unemployment compensation debt; fourth, to any assigned delinquent account of money due to a court, and; fifth, to the lottery winner, if any balance remains. Michigan also provides protections to the individual, including notice provisions.

Opportunities:

DHS suggests statutory changes similar to that taken with the UIA as a first step.

DHS will continue to evaluate how best to implement New York's approach as well.

DHS officials will seek Congressional action to revise the current definition, under Federal law,[5] of what constitutes a household group.

Each of these steps will help us in our efforts to ensure that taxpayer dollars are used efficiently and effectively, and can be targeted to those most in need.

Conclusion

With 14 percent of lottery winners receiving welfare benefits or living in a household where others receive welfare benefits, the integrity of both state and Federal safety net programs is threatened. Taxpayers rightfully reject the premise that those who have won thousands of dollars should still benefit from the programs aimed at providing a helping hand to the needy.

The data available by cross-checking lottery winners with welfare recipients is telling. Only ⅓ of those who have won the lottery while receiving welfare will be required to put those winnings toward self-sufficiency. Federal and state policies often prohibit the application of an asset test, allowing recipients with thousands of dollars at their disposal to continue on welfare.

It is equally troubling that current Federal law encourages families to indicate they purchase and prepare their food separately in order to exponentially increase the food assistance received by the household.

It is time to advocate for change, for self-sufficiency and for the integrity of these important programs.

Nearly ⅔ of Lottery Winners Continue to Receive Welfare Benefits Because of Federal and State Policy

Verifying Assistance Program Eligibility for Lottery Winners

Winning Value	Number of Clients	Number of Cases Closed	Case Closed for Other Reasons	Case Reviewed But Still Open Due to Policy	Winner is a member of the household, but not active on the case
$1,000–$2,000	791	41	105	602	43
$2,001–$4,000	1,775	214	262	1,181	118
$4,001–$5,000	385	109	65	174	37
$5,001–$9,999	265	92	51	105	17
$10,000–$14,999	130	43	28	55	4
$15,000–$29,999	137	43	28	52	14
$30,000–$100,000	37	16	5	7	9
More than $100,000	24	7	5	7	5
Total	**3,544**	**565**	**549**	**2,183**	**247**

[Endnotes]

[1] The scenario is based on an investigation by the Office of Inspector General. Identifying information has been changed for privacy protection.

[2] 7 U.S.C. 2012(n)(1); 7 CFR 273.1(a).

[3] NY CLS Soc. Serv. (§ 131–r) NY CLS Tax Law (§ 1613–b) and NY code (18 NYCRR § 396.1).

[4] MCL § 432.32.

[5] 7 U.S.C. § 2012(n)(1); 7 CFR 273.1(a).

SUBMITTED LETTER BY HON. JACKIE WALORSKI, A REPRESENTATIVE IN CONGRESS FROM INDIANA

December 18, 2014

Hon. FRANK D. LUCAS,
Hon. K. MICHAEL CONAWAY,
House Committee on Agriculture,
Washington, D.C.

Dear Mr. Lucas and Mr. Conaway:

I write to ask that the House Committee on Agriculture recommend a definition of the term "substantial" within the regulations to be promulgated by the Food and Nutrition Service (FNS) under Section 4009 of the Agricultural Act of 2014 (the Act). The Act was signed into law on February 7, 2014. Under section 4009, the Secretary of the United States Department of Agriculture (USDA) was tasked with defining the term substantial. Ten months after the passage of the Act, the USDA has not outlined the steps for the implementation of this provision nor defined the term substantial. We remain troubled by substantial lottery winners who continue to receive public assistance benefits despite the new legislation.

Michigan seeks your help to make sure the law is implemented as intended. In this letter, we address three subjects. First, we offer a definition of "substantial" as required by Section 4009 based on Michigan's experience. We then discuss the impact Section 4009 will have on traditional categorically eligible groups who win the lottery, and finally note our ongoing concerns with the "purchase and prepare" provision. We hope our thinking assists you!

I. Section 4009 of the Agricultural Act of 2014

The newly passed law provides:

> (a) IN GENERAL.—Section 6 of the Food and Nutrition Act of 2008 (7 U.S.C. 2015) (as amended by section 4008) is amended by adding at the end the following:
>
> "(s) INELIGIBILITY FOR BENEFITS DUE TO RECEIPT OF SUBSTANTIAL LOTTERY OR GAMBLING WINNINGS.—
>
> "(1) IN GENERAL.—Any household in which a member receives substantial lottery or gambling winnings, as determined by the Secretary, shall lose eligibility for benefits immediately upon receipt of the winnings.
>
> "(2) DURATION OF INELIGIBILITY.—A household described in paragraph (1) shall remain ineligible for participation until the household meets the allowable financial resources and income eligibility requirements under subsections (c), (d), (e), (f), (g), (i), (k), (l), (m), and (n) of section 5.
>
> "(3) AGREEMENTS.—As determined by the Secretary, each State agency, to the maximum extent practicable, shall establish agreements with entities responsible for the regulation or sponsorship of gaming in the State to determine whether individuals participating in the supplemental nutrition assistance program have received substantial lottery or gambling winnings.".

A. Defining the Term "Substantial"

We believe that the term "substantial" lottery winnings should be defined as a household where gross lottery winnings are greater than $5,000. The maximum allowable amount of assets a household can have in Michigan is $5,000. Michigan chose this asset limit by adjusting the maximum allowable amount found at 7 CFR 273.8(b) for the rate of inflation. Further, in determining whether selling a jointly held asset would yield a "significant return" or "any significant amount of funds" for a household applying for food assistance, 7 CFR 273.8(d)(18)(i) and (ii) define both a "significant return" and "any significant amount of funds" as any amount greater than $1,500. The terms "significant" and "substantial" are synonymous. Again, accounting for inflation, $5,000 is consistent with the amount considered "significant" for this FNS regulation as well. I note that Texas also has an asset limit of $5,000 for food assistance benefits. We used Texas as our model.

The Michigan Legislature passed Public Act 77 of 2012, which requires the Michigan Lottery to disclose the names and other identifying information of lottery winners to the Michigan Department of Human Services (OHS) within 7 days of paying out lottery winnings of $1,000 or greater. This match program allows OHS to determine whether lottery winners are receiving public assistance. In Michigan, the supplemental nutrition assistance program is called the Food Assistance Program (FAP). In calendar year 2013, of the 5,383 FAP lottery winners, we closed 566 FAP lottery winners cases; based on the average food assistance benefit per household, we saved taxpayers $137,906 each month in food assistance benefits.

On the basis of Michigan's success with the lottery match and the $5,000 asset limit, we suggest that FNS adopt $5,000 as the threshold definition of the term "substantial."

B. Traditional Categorically Eligible Groups

Under 7 U.S.C. 2014(a), traditional categorically eligible groups are established when all members of a household receive one of the following: social security benefits; state disability benefits; or benefits under a general assistance program which is administered by the state or a local government. In Michigan, the state administers a general assistance program called Family Independence Program (FIP) that grants categorical eligibility for FAP. Traditional categorically eligible groups cannot contain any members who are disqualified because of: (1) an intentional program violation; (2) an employment-related activity; or (3) a drug-related felony.

7 U.S.C. 2014(j) allows for "resource exemption for otherwise exempt households" as it provides that a household member who receives social security benefits under

title XVI of the Social Security Act (SSA), aid to the aged, blind, or disabled under titles I, II, X, XIV, or XVI of the SSA, or who receives state benefits funded under part A of Title IV of the SSA is considered "to have satisfied the resource limitations prescribed under subsection (g)." 7 U.S.C. 2014(g) prevents us from applying an asset test to these traditional categorically eligible groups for purposes of FAP. Regrettably, we cannot close cases of many huge lottery winners because FAP has no asset test. (In 2014, five cases worth $1 million.) For example, a Michigan lottery winner on our rolls won more than $20 million. Because of subsection (j), that individual remains eligible until his SSI closes, even though Michigan has a $5,000 asset limit.

However, 7 U.S.C. 2015(a) states that "[i]n addition to meeting the standards of eligibility prescribed in section 5 of this Act [7 U.S.C. 2014], households and individuals who are members of eligible households *must also meet and comply* with the specific requirements of this section to be eligible for participation in the supplemental nutrition assistance program." (Emphasis added.) The new lottery provision found in section 4009 of the Agricultural Act of 2014 was inserted into 7 U.S.C. 2015 as subsection 2015(s). Therefore, presumably, lottery and casino gambling winners with "substantial" lottery winnings will immediately lose their FAP benefits, whether or not the household is categorically eligible. This should help remedy the situation of the lottery winners who continue to receive FAP only because these winners also receive SSI benefits. We cannot take action in five cases because FNS has not defined the term "substantial."

II. Michigan's Ongoing Concerns

A. Purchase and Prepare

Michigan remains concerned with the "purchase and prepare" provision, 7 U.S.C. 2012, which provides in part:

> **[(n)(1)] "Household" means—**
>
> (A) an individual who lives alone or who, while living with others, customarily purchases food and prepares meals for home consumption separate and apart from the others; or
>
> (B) a group of individuals who live together and customarily purchase food and prepare meals together for home consumption. [Subsection 2012(n)(1).]

The corresponding Federal regulation, 7 CFR 273.1, states as follows:

> [(a) *General household definition.*] A household is composed of one of the following individuals or groups of individuals [, unless otherwise specified in paragraph (b) of this section] [:]
>
> (1) An individual living alone;
>
> (2) An individual living with others, but customarily purchasing food and preparing meals for home consumption separate and apart from others; or
>
> (3) A group of individuals who live together and customarily purchase food and prepare meals together for home consumption.

This language promotes significant opportunities for fraud and abuse because it creates distinct groups within a single home/residence. Abuses arise when lottery winners live in the same household but are not considered part of the household for FAP purposes. The other members in the same household continue receiving benefits by claiming that the lottery winner purchases and prepares food separately. This past year substantial lottery winnings did not result in case closure in 2,551 cases because the winners claimed they were not "active on the case," *i.e.,* they "purchased and prepared" their food separately. For example, a FAP recipient/lottery winner lives with a parent. This recipient denies purchasing and preparing food with the parent. However, this parent won multiple lottery drawings with amounts totaling almost $200,000 in the first 6 months of 2014. The FAP recipient continues to receive benefits even though she lives with her parent and this parent has won multiple, substantial amounts of money in the lottery. Unfortunately, the current language of section 4009 allows this abuse to occur.

We believe that the definition of "household," for purposes of determining FAP eligibility, should be revised, so that all persons living in the same household are considered one group. The current "purchase and prepare" language creates unfortunate loopholes that allow abuse.

If you have any questions or concerns about the information provided above, or if the Michigan OHS can assist in any other way, please do not hesitate to contact me at [**Redacted**] or Katie Zeiter at [**Redacted**].

Sincerely,

MAURA D. CORRIGAN,

CC:

MATT WEIDINGER,
Honorable DAVE CAMP,
Honorable PAUL RYAN,
JASON TURNER,
ELOISE ANDERSON,
SIG Secretaries,
MATT SCHERTZ,
ANNE DECESARO.

SUPPLEMENTARY MATERIAL SUBMITTED BY HON. JAMES P. MCGOVERN, A REPRESENTATIVE IN CONGRESS FROM MASSACHUSETTS

Section 4009 of Public Law 113–79, The Agricultural Act of 2014

SEC. 4009. ENDING SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS FOR LOTTERY OR GAMBLING WINNERS.

(a) IN GENERAL.—Section 6 of the Food and Nutrition Act of 2008 (7 U.S.C. 2015) (as amended by section 4008) is amended by adding at the end the following:

"(s) INELIGIBILITY FOR BENEFITS DUE TO RECEIPT OF SUBSTANTIAL LOTTERY OR GAMBLING WINNINGS.—

"(1) IN GENERAL.—Any household in which a member receives substantial lottery or gambling winnings, as determined by the Secretary, shall lose eligibility for benefits immediately upon receipt of the winnings.

"(2) DURATION OF INELIGIBILITY.—A household described in paragraph (1) shall remain ineligible for participation until the household meets the allowable financial resources and income eligibility requirements under subsections (c), (d), (e), (f), (g), (i), (k), (l), (m), and (n) of section 5.

"(3) AGREEMENTS.—As determined by the Secretary, each State agency, to the maximum extent practicable, shall establish agreements with entities responsible for the regulation or sponsorship of gaming in the State to determine whether individuals participating in the supplemental nutrition assistance program have received substantial lottery or gambling winnings.".

SUPPLEMENTARY MATERIAL SUBMITTED BY KAREN CUNNYNGHAM, SENIOR RESEARCHER, MATHEMATICA POLICY RESEARCH

On February 26, 2015 Karen Cunnyngham, Senior Researcher at Mathematica Policy Research, testified before the House Committee on Agriculture, Subcommittee on Nutrition at a hearing to review Supplemental Nutrition Assistance Program (SNAP) recipient characteristics and dynamics. As a supplement to her written testimony, Ms. Cunnyngham submits to the Committee the following data tables and annotated bibliography in response to three open-ended questions which arose during the hearing. Should any Committee Members or staff have additional questions, Ms. Cunnyngham can be reached at [**Redacted**].

Insert 1

Mr. DAVIS. That is okay. I hopefully won't talk the entire time. I actually want to hear some information out of the panel.

Thank you for being here. Hopefully, what you have seen in the last 30 seconds is we actually do like to have fun up here.

I am a big supporter of children who are hungry getting access to the food and nutrition that they need, through the SNAP program or other programs, and I know that in the opening testimony, Ms. Cunnyngham, that you had mentioned some of the other programs that feed children and those who are in need of hunger assistance, besides SNAP. Can—and this goes to the whole panel. Is

there any way, can you elaborate on some of the other programs that are available? Like I know I visited some schools, some summer lunch sites, during the summertime to feed kids who were part of the School Nutrition Program. And just one observation on the program that you decide to talk about that you think we can do as a Congress to make them more effective and more better. So we will start with you, ma'am.

Ms. CUNNYNGHAM. Sure. Well, there is the National School Lunch Program. There is the School Breakfast Program which is expanding in recent years. It serves breakfast to hungry children. There is the Summer Feeding Program that you discussed. In terms of recommendations, I know that there is a wealth of research out on those programs, and I can provide you some of those studies. I don't have recommendations myself, but I do hope that you will look at the information that is out there.

Mr. Davis asked panelists about additional research on hunger assistance programs for children. To address this question, Ms. Cunnyngham developed an annotated bibliography of our research on various nutrition programs.

Nutrition Programs for Children

Hulsey, Lara, Anne Gordon, Joshua Leftin, Claire Smither-Wulsin, Allen Schirm, Nicholas Beyler, Anna Comerford, Jessica Galin, Brian Estes, and Carole Trippe. "Evaluation of Demonstrations of National School Lunch Program and School Breakfast Program Direct Certification of Children Receiving Medicaid Benefits: Year 1 Report." Final report submitted to the U.S. Department of Agriculture, Food and Nutrition Service (FNS). Princeton, NJ: Mathematica Policy Research, January 2015.

The Healthy, Hunger-Free Kids Act of 2010 directed FNS to conduct a demonstration that directly certifies students for free school meals through the National School Lunch Program (NSLP) based on income eligibility identified through Medicaid data. This report presents findings on the impact of this direct certification on NSLP participation and costs in the 2012–2013 school year. The report also includes projected nationwide impacts and identifies challenges faced by states and districts in implementing the demonstration.

Collins, Ann M., Ronette Briefel, Jacob Alex Klerman, Anne Wolf, Gretchen Rowe, Ayesha Enver, Christopher Logan, Syeda Fatima, Marina Komarovsky, Julia Lyskawa, and Stephen Bell. "Summer Electronic Benefits Transfer for Children Demonstration: Evaluation Findings for the Third Implementation Year." Final report submitted to the U.S. Department of Agriculture, FNS. Cambridge, MA: Abt Associates, November 2014.

Collins, Ann M., Ronette Briefel, Jacob Alex Klerman, Gretchen Rowe, Anne Wolf, Christopher W. Logan, Anne Gordon, Carrie Wolfson, Ayesha Enver, Cheryl Owens, Charlotte Cabili, and Stephen Bell. "Summer Electronic Benefits Transfer for Children (SEBTC) Demonstration: Evaluation Findings for the Full Implementation Year." Final report submitted to the U.S. Department of Agriculture, FNS. Cambridge, MA: Abt Associates, July 2013.

The Summer Electronic Benefits Transfer for Children (SEBTC) demonstration sought innovative strategies for reducing hunger during summer, when children in low-income families do not have access to school meals. Through a rigorous evaluation, SEBTC tested the impact of a monthly benefit during the summer on children's food security. States delivered this benefit via their EBT system for SNAP or the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). An evaluation of the second implementation year showed that a monthly benefit of $60 per eligible child reduced very-low food security among children by ⅓. Children in households with SEBTC ate more fruits and vegetables, whole grains, and dairy foods, while consuming less sugar-sweetened beverages, compared to similar children with no SEBTC benefit. The SEBTC–WIC model yielded better nutrition impacts than did the SEBTC–SNAP model. The evaluation of the third implementation year focused on whether a $30 benefit could produce similar results as the $60 benefit. The $30 benefit did reduce very-low food security among children as well as the $60 benefit, but the $60 benefit produced greater reductions in food insecurity among adults and the full household. In addition, nutrition outcomes for the $30 benefit were half as great as the $60 benefit.

Moore, Quinn, Kevin Conway, Brandon Kyler, and Andrew Gothro. "Direct Certification in the National School Lunch Program: State Implementation Progress, School Year 2012–2013." Report to Congress. Alexandria, VA: U.S. Department of Agriculture, FNS, Office of Policy Support, November 2013.

This report responds to the legislative requirement of the Food, Conservation, and Energy Act of 2008 to assess the effectiveness of state and local efforts to directly certify children for free school meals under the NSLP. Direct certification is a process conducted by the states and by local educational agencies to certify certain children for free school meals without the need for household applications.

SNAP Eligibility and Participation Among Elderly Individuals

Sama-Miller, E., L. Makowsky, G. Rowe, L. Clary, E. Brown, L. Castner, and M. Satake. "Effectiveness of Pilot Projects to Increase Supplemental Nutrition Assistance Program (SNAP) Participation Among Medicare's Extra Help Population: Final Report." Final report submitted to the U.S. Department of Agriculture, FNS, Office of Research and Analysis. Washington, D.C.: Mathematica Policy Research, December 2014.

In 2010, FNS funded pilot projects in three states (New Mexico, Pennsylvania, and Washington) to expand access to SNAP for people in Medicare's Extra Help program. The states used Medicare data to identify potentially eligible people who were not enrolled in SNAP and then helped those clients access SNAP by (1) assisting them with SNAP applications and/or (2) simplifying enrollment procedures. The pilots focused mainly on reaching elderly clients, but some also served people with disabilities. This report discusses program implementation and lessons learned, the effects of the pilots on SNAP applications and approvals among the target population, and the costs.

Kauff, Jacqueline, Lisa Dragoset, Elizabeth Clary, Elizabeth Laird, Libby Makowsky, and Emily Sama-Miller. "Reaching the Underserved Elderly and Working Poor in SNAP: Evaluation Findings from the Fiscal Year 2009 Pilots." Final report submitted to the U.S. Department of Agriculture, FNS. Washington, D.C.: Mathematica Policy Research, April 2014.

In the Omnibus Appropriations Act of 2009, Congress directed FNS to test various models for facilitating access to SNAP among elderly or working poor individuals. FNS awarded competitive grants to six states to support demonstration activities for up to 3 years, beginning in September 2009. Three states (Michigan, Ohio, and Pennsylvania) targeted elderly individuals, and three others (Massachusetts, Washington, and Wisconsin) targeted working poor individuals. This report describes the design, implementation, and operation of each demonstration; assesses the effects on SNAP applications and participation rates; and estimates demonstration costs.

Leftin, Joshua. "Characteristics of Eligible Supplemental Nutrition Assistance Program Households with Elderly Individuals." Final report submitted to the U.S. Department of Agriculture, FNS. Washington, D.C.: Mathematica Policy Research, October 2011.

This report identifies distinguishing characteristics of eligible elderly individuals who participate in SNAP *versus* those who are eligible but do not participate.

Cunnyngham, Karen. "State Trends in Supplemental Nutrition Assistance Program Eligibility and Participation Among Elderly Individuals." Final report submitted to the U.S. Department of Agriculture, Economic Research Service. Washington, D.C.: Mathematica Policy Research, September 2010.

This report provides detailed information on the characteristics of elderly SNAP eligibles and participants. It also describes the rates of SNAP eligibility and participation among elderly people across states and over time. An updated report is expected to be completed in 2015.

Characteristics of SNAP Participants

Farson Gray, Kelsey. "Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2013." Report submitted to the U.S. Department of Agriculture, FNS. Washington, D.C.: Mathematica Policy Research, December 2014.

This report describes the demographic characteristics and economic circumstances of SNAP households in Fiscal Year 2013 based on SNAP Quality Control (QC) data. It also includes detailed information about the program, including SNAP eligibility rules. The report is part of a series of annual reports on the characteristics of SNAP households.

SNAP Participation Rates

Eslami, Esa. "Trends in Supplemental Nutrition Assistance Program Participation Rates: Fiscal Year 2010 to Fiscal Year 2012." Final report submitted to the U.S.

Department of Agriculture, FNS. Washington, D.C.: Mathematica Policy Research, July 2014.

This report presents estimated national SNAP participation rates for the total eligible population and for selected economic and demographic subgroups for Fiscal Years 2010 to 2012. Participation rates were calculated using SNAP QC data to measure participants and a microsimulation model based on data from the Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC) to estimate the eligible population. The report is part of a series of annual reports on national SNAP participation rates.

Cunnyngham, Karen. "Reaching Those in Need: Estimates of State Supplemental Nutrition Assistance Program Participation Rates in 2012." Final report submitted to the U.S. Department of Agriculture, FNS. Washington, D.C.: Mathematica Policy Research, February 2015.

This research brief provides state SNAP participation rates for all eligible people and for working poor individuals. The participation rates were derived using shrinkage estimation methods developed to improve precision. The shrinkage estimator averaged direct sample estimates of SNAP participation rates with predictions from a regression model. These estimates are consistent with those in Eslami (2014). The report is part of a series of annual reports on state SNAP participation rates.

Cunnyngham, Karen, Amang Sukasih, and Laura Castner. "Empirical Bayes Shrinkage Estimates of State Supplemental Nutrition Assistance Program Participation Rates in Fiscal Year 2010 to Fiscal Year 2012 for All Eligible People and the Working Poor." Final report submitted to the U.S. Department of Agriculture, FNS. Washington, D.C.: Mathematica Policy Research, February 2015.

This technical report shows how the state SNAP participation rates for all eligible people and for working poor individuals presented in Cunnyngham (2015) were derived. It includes broadly accessible explanations in the main text, with a detailed technical appendix. The report contains final participation rate estimates, 90 percent confidence intervals, and data from intermediate steps such as direct estimates of state SNAP participation rates, values for the predictors used in the regression equation, and preliminary shrinkage estimates.

Simulated Changes to SNAP

Leftin, Joshua, Allison Dodd, Kai Filion, Rebecca Wang, Andrew Gothro, and Karen Cunnyngham. "Analysis of Proposed Changes to SNAP Eligibility and Benefit Determination in the 2013 Farm Bill and Comparison of Cardiometabolic Health Status for SNAP Participants and Low-Income Nonparticipants." Washington, D.C.: Mathematica Policy Research, August 2013.

Two of the changes to SNAP proposed in the 2014 U.S. Farm Bills were (1) eliminating the standard utility allowance for those receiving a nominal benefit from the Low-Income Home Energy Assistance Program and (2) eliminating broad-based categorical eligibility for SNAP. This report provides an assessment of the effects of the proposed changes on SNAP eligibles and participants based on results from two microsimulation models. Separately, the report also discusses the health profile of SNAP participants based on data from the National Health and Nutrition Examination Survey.

Leftin, Joshua, and Karen Cunnyngham. "The Effects of Proposed Changes to the Supplemental Nutrition Assistance Program on Eligibility, Participation, and Benefits." Issue brief. Washington, DC: Mathematica Policy Research, November 2013.

This issue brief updates and summarizes some of the estimates presented in Leftin, *et al.* (2013).

Insert 2

Mrs. HARTZLER. What is the percentage of elderly households that are on SNAP? The general population.

Dr. MILLS. I think I would defer to——

Mrs. HARTZLER. Okay.

Dr. MILLS.—others on that.

Mrs. HARTZLER. Right.

Ms. CUNNYNGHAM. I could give you the percentage of elderly people who are eligible. I will need to get back to you with that.

Ms. Hartzler requested the percentage of elderly populations that participates in SNAP by state. In response to the question, Ms. Cunnyngham developed the table below.

SNAP Eligible and Participating Elderly Individuals, Fiscal Year 2010

	Elderly Eligible Individuals			Elderly Participants	
	Number (000s)	Percent of Population		Number (000s)	Participation Rate (Percent of Eligible)
		Total	Elderly		
Alabama	171	4	18	45	26
Alaska	15	2	17	4	27
Arizona	187	3	15	51	27
Arkansas	111	4	19	27	25
California	514	1	8	59	11
Colorado	96	2	12	29	30
Connecticut	95	3	13	34	36
Delaware	24	3	13	5	22
District of Columbia	22	4	23	7	32
Florida	676	4	15	302	45
Georgia	304	3	20	94	31
Hawaii	41	3	15	15	37
Idaho	33	2	12	10	30
Illinois	337	3	15	112	33
Indiana	165	3	14	47	29
Iowa	60	2	10	17	29
Kansas	63	2	12	17	27
Kentucky	151	3	18	63	42
Louisiana	172	4	21	58	34
Maine	42	3	14	21	51
Maryland	150	3	14	35	23
Massachusetts	200	3	16	98	49
Michigan	265	3	14	96	36
Minnesota	93	2	10	29	32
Mississippi	130	4	24	39	30
Missouri	177	3	15	61	35
Montana	24	2	11	7	27
Nebraska	34	2	10	9	25
Nevada	67	2	14	19	28
New Hampshire	23	2	9	7	29
New Jersey	233	3	14	69	30
New Mexico	76	4	19	21	27
New York	712	4	19	412	58
North Carolina	301	3	17	92	31
North Dakota	15	2	11	5	36
Ohio	323	3	14	101	31
Oklahoma	120	3	17	37	31
Oregon	109	3	14	52	48
Pennsylvania	373	3	14	139	37
Rhode Island	33	3	15	14	42
South Carolina	175	4	19	54	31
South Dakota	22	3	13	6	29
Tennessee	223	4	18	93	41
Texas	773	3	20	271	35
Utah	33	1	9	8	24
Vermont	18	3	14	9	52
Virginia	204	3	14	62	30
Washington	160	2	13	63	39
West Virginia	66	4	16	26	40
Wisconsin	118	2	11	33	28
Wyoming	10	2	10	2	19

Sources: SNAP QC, CPS ASEC, ACS, and administrative data and U.S. Census Bureau population estimates.

Insert 3

Mr. YOHO. Thank you, Madam Chairman. Congratulations. Since we came in together, I am impressed with you. And I look forward to listening to you because I know the concern in this Committee is, like we talked about yesterday, there is a certain percentage of people on the nutritional programs that we have seen are working the system, some are taking advantage of it, and we need to reform it for those people that truly need it. I mean that is, I think what everybody on here is for. We want the best program we can so that people get the best nutrition they can while they need that.

And, Ms. Cunnyngham, I was reading my notes, and I need some help with the math here, since you are from the mathematics part of this. In 2013, I have 44 percent of the people who were less than 18 that were on SNAP, 18 years of age, nine percent were over 60 years of age, and ten percent were disabled. What accounts for the other 37 percent because that wasn't mentioned? Who are those?

Ms. CUNNYNGHAM. Sorry. The numbers that I gave in my testimony were for households with children, elderly people, or people with disabilities. If I could just talk about participants here, the percentage of participants who are children is now 44 percent. The percentage that are elderly, that is nine percent. And the percentage that are nonelderly adults, that is 18 to 59, is 46 percent. The percentage that are disabled, that includes children and nonelderly adults, is 20 percent. So——

Mr. YOHO. Does that add up to 100? I didn't write those down. I am sorry.

Ms. CUNNYNGHAM. Well, the percentage that is an overlap between children and nonelderly, but——

Mr. YOHO. All right. Is there a place that I can get the breakout of that so I can see 100 percent who is on this?

Ms. CUNNYNGHAM. Absolutely.

Mr. Yoho asked questions about the basic demographics of SNAP participants. In response to this question, two informative tables are provided below:

Table 1. Demographics of SNAP participants, Fiscal Year 2013

	Participants		
	Number (000s)	Percent of Total	Percent of Panel
Total	47,098	100.0	100.0
Children	20,889	44.4	44.4
Nonelderly adults	21,845	46.4	46.4
Elderly individuals	4,365	9.3	9.3
Nonelderly individuals by disability status: [a]			
Individuals age 0 to 59	42,734	90.7	100.0
With a disability	5,633	12.0	13.2
Children	1,105	2.3	2.6
Adults	4,528	9.6	10.6
Without a disability	37,101	78.8	86.8
Nondisabled adults age 18 to 49 living in childless households	4,943	10.5	100.0

Source: Fiscal Year 2013 SNAP QC data file.

[a] Because of data limitations, presence of a disability can be estimated only for nonelderly individuals.

Table 2. Characteristics of participating SNAP households, Fiscal Year 2013

	Households with Type of Participant		Participants in Households with Type of Participant		Benefits to Households with Type of Participant	
	Number (000s)	Percent	Number (000s)	Percent	Dollars ($000s)	Percent
Total	22,802	100.0	47,098	100.0	6,185,227	100.0
Age:						
Children	10,224	44.8	32,863	69.8	4,195,432	67.8
Nonelderly adults	19,266	84.5	43,195	91.7	5,764,778	93.2
Elderly individuals	3,972	17.4	5,048	10.7	531,042	8.6
Disability: [a]a						
Nonelderly individuals with a disability	4,624	20.3	8,698	18.5	942,604	15.2
No disabled nonelderly individuals	18,178	79.7	38,400	81.5	5,242,623	84.8
Childless Households	12,578	55.2	14,235	30.2	1,989,795	32.2
Nondisabled adults age 18 to 49	4,538	19.9	5,424	11.5	917,265	14.8
No elderly or disabled individuals	5,653	24.8	6,221	13.2	1,103,123	17.8

Source: Fiscal Year 2013 SNAP QC data file.

[a] Because of data limitations, presence of a disability can be estimated only for nonelderly individuals.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

(THE PAST, PRESENT, AND FUTURE OF SNAP: THE WORLD OF NUTRITION AND THE ROLE OF THE CHARITABLE SECTOR)

WEDNESDAY, APRIL 15, 2015

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The Committee met, pursuant to call, at 10:00 a.m., in Room 1300 of the Longworth House Office Building, Hon. K. Michael Conaway [Chairman of the Committee] presiding.

Members present: Representatives Conaway, Neugebauer, Benishek, LaMalfa, Yoho, Walorski, Allen, Emmer, Newhouse, Peterson, David Scott of Georgia, Costa, McGovern, Lujan Grisham, Bustos, Aguilar, and Ashford.

Staff present: Anne DeCesaro, Haley Graves, Jessica Carter, Mary Nowak, Mollie Wilken, Scott Graves, Ted Monoson, and Nicole Scott.

OPENING STATEMENT OF HON. K. MICHAEL CONAWAY, A REPRESENTATIVE IN CONGRESS FROM TEXAS

The CHAIRMAN. Well, good morning, and I call the hearing to order. Please join me in a prayer.

Dear Heavenly Father, we ask for guidance this morning, for wisdom, as we consider programs that affect folks who are in need of assistance. We ask for the wisdom and understanding of those needs and have patience with each other as we consider our respective positions with this, but most of all, wisdom and discernment to know what is the right answer. Bless this hearing now and us to Your service. We ask these things in Jesus' name. Amen.

The hearing today of the Committee on Agriculture regarding the past, present, and future of SNAP: focusing on the world of nutrition and the role of the charitable sector, will come to order.

I want to welcome our witnesses to today's hearing and thank them for taking the time to travel here to share their perspectives and answers to our questions on how the charitable sector plays a vital role in providing food assistance to families in need. Today is about hearing from the folks on the ground, practitioners in the field. They will provide us with their first-person accounts of what is working and is not working as we continue to explore the past, present, and future of SNAP.

We proceed today without any preconceived notions and with a commitment to strengthening the program so it can serve as a tool to help individuals and families move up the economic ladder.

Today, we will also begin a new phase of the review, which is to explore the world of nutrition that surrounds SNAP, formally known as the Supplemental—and I want to emphasize the word *Supplemental*—Nutrition Assistance Program. Addressing the nutritional needs of Americans is not solely the responsibility of SNAP. The program does not operate in a vacuum. Instead, there is a web of government programs, charitable organizations, and others working toward a common goal. From churches to community organizations to corporate philanthropy, local food banks, these not-for-profits and others are deeply rooted in their communities and serve as important partners in the delivery of critical food assistance across the country.

Understanding SNAP's interaction with these organizations will help to maximize the effectiveness of all organizations involved, government and non-government, and better target limited resources by identifying both unmet needs and areas of overlap.

Contrary to the picture painted by many, SNAP benefits are designed to be supplemental, leaving household responsible for the remaining needs. Many do so with the help of local organizations, such as the West Texas Food Bank, which annually serves more than 75,000 individuals with 3.6 million meals through their various partner organizations.

Individuals and organizations that highlight the SNAP benefit level in a manner that misrepresents the idea that it is supplemental is both confusing and disingenuous. While the issue of hunger deserves our thoughtful consideration, misleading the general public to draw attention to it should be considered unacceptable.

A successful solution for nutrition assistance is the responsibility of government and the charitable sector, a combination of the two working together. Charitable organizations have greater flexibility to address the needs of their specific communities in ways that the Federal Government is often not able to do by being accountable to the family in need and not to the government program.

Charitable organizations have strong community ties and often operate programs on the government's behalf. For many of these organizations, food assistance is only part of their mission and is seen as a means and not just an end.

We all want to address hunger in America. To do that, we must focus on serving individuals and families in need and less on who or what is providing the assistance. The organizations we will hear from today are doing just that, and there is a great deal to learn.

I look forward to hearing from our witnesses today as we explore how charitable organizations augment the Federal nutrition programs in the delivery of critical food assistance across the county.

[The prepared statement of Mr. Conaway follows:]

PREPARED STATEMENT OF HON. K. MICHAEL CONAWAY, A REPRESENTATIVE IN CONGRESS FROM TEXAS

I want to welcome our witnesses to today's hearing and thank them for taking the time to travel here to share their perspectives and answer our questions on how the charitable sector plays a vital role in providing food assistance to families in need. Today is about hearing from the folks on the ground, practitioners in the field.

They will provide us with their first person accounts of what is working and is not working as we continue to explore the *Past, Present, and Future of SNAP.*

We proceed today without preconceived notions and with a commitment to strengthening the program so it can serve as a tool to help individuals and families move up the economic ladder.

Today, we also begin a new phase of the review, which is to explore the world of nutrition that surrounds SNAP, formally known as the Supplemental Nutrition Assistance Program. Addressing the nutritional needs of Americans is not the sole responsibility of SNAP. The program does not operate in a vacuum. Instead, there is a web of government programs and charitable organizations working toward a common goal. From churches to community organizations to corporate philanthropy and local food banks, these nonprofits are deeply rooted in their communities and serve as important partners in the delivery of critical food assistance across the country. Understanding SNAP's interaction with these organizations will help to maximize the effectiveness of all organizations involved, government and non-government, and better target limited resources by identifying both unmet needs and areas of overlap.

Contrary to the picture painted by many, SNAP benefits are designed to be supplemental, leaving the household responsible for the remaining needs. Many do so with the help of local organizations, such as the West Texas Food Bank, which annually serves more than 75,000 individuals more than 3.6 million meals through their various partner organizations. Individuals and organizations that highlight the SNAP benefit level in a manner that misrepresents the idea that it is supplemental is both confusing and disingenuous. While the issue of hunger deserves our thoughtful consideration, misleading the general public to draw attention to it is unacceptable.

A successful solution for nutrition assistance is the responsibility of government **and** the charitable sector, a combination of the two working together. Charitable organizations have greater flexibility to address the needs of their communities in ways the Federal Government is often not able to do by being accountable to the family in need and not the government program. Charitable organizations have strong community ties and often operate programs on the government's behalf. For many of these organizations, food assistance is only part of their mission and is seen as a means, not just an end.

We all want to address hunger in America. To do that, we must focus on serving individuals and families in need, and less on who or what is providing the assistance. The organizations we will hear from today are doing just that, and there is a great deal to learn.

I look forward to hearing from our witnesses today as we explore how charitable organizations augment Federal nutrition programs in delivering critical food assistance across the county.

The CHAIRMAN. With that I will now ask the Ranking Member if he has a statement.

OPENING STATEMENT OF HON. COLLIN C. PETERSON, A REPRESENTATIVE IN CONGRESS FROM MINNESOTA

Mr. PETERSON. Thank you, Mr. Chairman, and thank you for holding this hearing today.

As I have said, I think it is beneficial for the Committee to learn as much as we can about SNAP while resisting attempts to open up the farm bill or separate SNAP from the farm bill. I am very supportive of the work done by local food banks and other charitable organizations across the country. They not only offer food but important outreach services to help those in need. However, they do not have the funding capacity or flexibility to fully replace SNAP as some might suggest.

Hopefully today's hearing will help the Committee get a better understanding of how charities and nonprofits work with programs like SNAP, and I am looking forward to any suggestions our witnesses might have about improvements we could make to ensure those programs are operating as efficiently as possible.

What I would be interested in exploring is making more produce available at food banks. Farmers seem to have a disincentive to donate surplus food due to high packing and transportation costs, agencies have a tough time getting time-sensitive perishable products out before they go bad. Growing the partnership between food banks and farmers could help this.

I hope this will be a productive hearing, and we can continue looking past the rhetoric and learning more about this important program. And I thank the chair for the hearing and the witnesses for appearing. I yield back.

The CHAIRMAN. I thank the gentleman. The chair would request that other Members submit their opening statements for the record so the witnesses may begin their testimony and to ensure there is ample time for questions.

[The prepared statements of Mr. Goodlatte, Mrs. Bustos, and Ms. Adams follow:]

PREPARED STATEMENT OF HON. BOB GOODLATTE, A REPRESENTATIVE IN CONGRESS FROM VIRGINIA

I appreciate the opportunity for the House Committee on Agriculture to review the critical role that charitable organizations play in the delivery of food assistance across the country. From local food banks, to churches to other nonprofits, these institutions are deeply rooted in our communities and serve as important partners in addressing hunger in our nation.

As you know, the Supplemental Nutrition Assistance Program (SNAP) is designed primarily to increase the food purchasing power of eligible low-income households to help them buy a nutritionally adequate low-cost diet. The 2014 Farm Bill made the first reforms to SNAP since the welfare reforms of 1996, taking steps to lift recipients out of poverty and maintaining critical food assistance to families in need.

As we work to ensure the integrity of the program and accomplish its purpose to help meet the nutritional necessities of those most vulnerable, Congress must focus on how to deliver benefits as effectively and efficiently as possible. Direct spending projections authorized by the Nutrition Title represent approximately 79% of the 2014 Farm Bill's funding, and as such it is vital that we take a collaborative approach in leveraging Federal resources. The successful solution for nutrition assistance is not just the government and not just the charitable sector, but instead a combination of the two.

Recognizing the impact of increasing food security needs hitting hard-working people all across America, charitable organizations often have greater outreach on the ground to address the needs of its communities. As such, I am proud to work with organizations like Feeding America Southwest Virginia (FASWVA) whose mission is to feed the region's under-served through a network of private-public partners in my Congressional district. As the leader in hunger relief, FASWVA distributes more than 20 million pounds of food annually to nearly 400 partner agency soup kitchens, rescue missions and food pantries. Through their strong partnerships, Feeding America Southwest Virginia has served the 26 counties and associated municipalities that make up the region for over 3 decades.

This network of partner agencies helps ensure that we continue to move food to fight hunger and change lives in Southwest Virginia through critical charitable efforts, including: Food Pantries, a food distribution program that provides groceries on a regular schedule to people in need of emergency food; Harvest Home Kitchen, an agency that serves emergency meals to clients on site and on regularly scheduled days and hours; and Mobile Food Pantries, a distribution program that targets areas that are under-served or difficult to reach.

As we implement the 2014 Farm Bill nutrition programs, I was glad to partner with my colleague Representative Marcia L. Fudge to send a strong message to the Secretary of Agriculture to distribute existing resources within the Emergency Food Assistance Program (TEFAP) so commodities can reach our food bank distribution systems to meet local nutritional needs. I also joined bipartisan efforts to support program levels within the 2014 Farm Bill for TEFAP, as well as storage and distribution to assist local food banks and emergency feeding.

I thank the Chairman for his attention to this vital issue. As we learn the critical role our local charitable sectors play in partnership to most effectively address hun-

ger in our nation, it may help guide future policy decisions on the most effective use of resources to lift Americans out of poverty while sustaining valuable Federal resources.

PREPARED STATEMENT OF HON. CHERI BUSTOS, A REPRESENTATIVE IN CONGRESS FROM ILLINOIS

Thank you to the Chairman and Ranking Member for holding today's hearing as we continue the Committee's review of the Supplemental Nutrition Assistance Program (SNAP) and to provide us insight into the supportive role that charitable organizations play in our communities.

Because no one wants to see children go to bed hungry at night, I have fought hard against cuts to nutrition programs that help put food on the table for families. SNAP is one of the strongest tools our country has in combating hunger and poverty, especially for children.

Additionally, I am very supportive of the work done by local food banks and other charitable organizations across my region, state, and our country. In fact, I have made it a point to visit many across my district to learn more about the important work they perform and the individuals they serve. Many of these organizations offer food as well as important outreach services to some of the most vulnerable in our communities. Food banks and charitable organizations are wonderful services, but they cannot be expected to replace SNAP.

SNAP is a critical nutrition support for so many families in times of need; serving 63,832 households in Illinois alone, and it must be protected. I look forward to hearing from the witnesses today and learning more about how we are able to support the collaboration between charitable organizations and SNAP without diminishing either.

PREPARED STATEMENT OF HON. ALMA S. ADAMS, A REPRESENTATIVE IN CONGRESS FROM NORTH CAROLINA

Thank you, Mr. Chairman for convening this hearing on the role of charitable organizations in fighting hunger in our communities.

I would like to submit the following statement for the record on behalf of Second Harvest Food Bank of Northwest North Carolina.* Their comments echo a recent Food Research Action Center report, which finds that the Greensboro-High Point area is the most food insecure metropolitan area in the nation.

I joined the House Agriculture Committee and the Subcommittee on Nutrition in order to advocate for the hungry in the 12th district and throughout North Carolina. In March, I joined my colleagues in asking the House Appropriations Committee to provide full funding for The Emergency Food Assistance Program. This program provides food and funding to help states and local food banks provide services to supplement the diets of low-income Americans, including the elderly, at no cost.

The House Republican Budget proposes converting SNAP to a block grant program. This is strongly opposed by our nation's food banks because it will result in fewer families receiving help when they are hungry.

The CHAIRMAN. I would like to welcome our witnesses to the table today. First off we have Kate Maehr, the CEO of Greater Chicago Food Depository from Chicago, Illinois; Ms. Keleigh Green-Patton, Chicago's Community Kitchens from Chicago, Illinois; Mr. Dustin Kunz, Salesforce Administrator and Research Project Manager for the Texas Hunger Initiative in Waco, Texas; Ms. Lynda Taylor Ender, AGE Director, The Senior Source, Dallas, Texas; and Mr. Jonathan Webb, Director of Foundations and Community Outreach with the Feed the Children Foundation, Edmond, Oklahoma.

Ms. Maehr, the microphone is yours, and please begin your testimony when you are ready.

---

*[**Editor's note:** the document referred to is located on p. 222.]

STATEMENT OF KATE MAEHR, EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER, GREATER CHICAGO FOOD DEPOSITORY, CHICAGO, IL

Ms. MAEHR. Good morning, Mr. Chairman, and Members of the Committee. My name is Kate Maehr, and I am the Executive Director and CEO of the Greater Chicago Food Depository. I am honored to be here representing food banks and agencies that respond daily to hunger across our nation. Thank you so much for this opportunity.

The Food Depository is one of 200 food banks in Feeding America's national network. Together, we serve more than 46 million people through 58,000 food pantries, soup kitchens, shelters, and programs.

Every day, food banks source and distribute millions of pounds of food. Last year, our collective output neared 4 billion pounds. We do this with the generosity of supporters from all sectors, including leading food companies, retailers, farmers, corporate funders and generous individuals. USDA commodities from TEFAP and CSFP are also a critical source of food for our network, and we thank you for the TEFAP increase in the 2014 Farm Bill.

In addition, we have special programs to reach food insecure children, seniors, and veterans. We engage in SNAP outreach to help connect eligible people, and because we know that a job is often the best solution to food insecurity, many of us, including the Food Depository, have workforce development programs.

Still, millions of low-income households with working adults, and those who are unable to work, struggle to put food on their table. That is why we advocate for strong Federal nutrition programs. Our goal is to end hunger in our communities. Achieving that goal requires a coordinated public-private response. We are proud of our daily impact, but frankly it pales in comparison to the job done by programs such as SNAP, WIC, CACFP, School Lunch and Breakfast, and Summer Meals.

When the Great Recession hit, the demand for food assistance increased dramatically. In Cook County, Illinois, we experienced a 70 percent rise in food pantry visits over 5 years. Each week, community food pantries and church basement soup kitchens saw new faces walk through their doors. And while the need has plateaued in many communities, it has not receded. Food banks are incredibly proud of how we have risen to meet this need. We are proud of the donors and volunteers who embody the American value of service and who have kept millions of people from going hungry. But charity did not do this alone.

During this era of increased need, Federal nutrition programs, especially SNAP, did exactly what they were created to do. When our country experienced its most drastic economic crisis since the Great Depression, SNAP grew to meet the need. But as SNAP expanded, so have misconceptions about the program.

In 2013, 43 percent of SNAP recipients lived in a household with an employed adult. At the same time, 82 percent of SNAP benefits went to households that include children, seniors, or people with disabilities.

Every day, the SNAP program and food banks work in tandem. Among households that we serve, 55 percent receive SNAP, but

with an average of less than $5 per person per day, benefits often run out before the month's end. For these families and for those who do not meet SNAP eligibility guidelines, food banks are there. If SNAP funding were cut further or if unnecessary restrictions were placed on the programs, food banks would not be able to fill the void.

Together we have the ability to end hunger in America. Every day, food banks like the Food Depository strive to do more. We strive to offer more job training, expand programs for veterans, provide fresh produce to food deserts, and ensure that every child is fed during the summer. But we can only do this because the Federal nutrition programs are in place and our role is supplementary.

We understand and appreciate the difficult task that our elected officials have to balance the budget, but the budget should not be balanced on the backs of our most vulnerable neighbors. On behalf of the Greater Chicago Food Depository, Feeding America, our partner agencies and the people we serve, thank you for your time and attention. I urge you, protect SNAP and other critical nutrition programs in ongoing budget negotiations. And I invite and encourage you to visit your local food bank and see firsthand the amazing work that they do. Thank you.

[The prepared statement of Ms. Maehr follows:]

PREPARED STATEMENT OF KATE MAEHR, EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER, GREATER CHICAGO FOOD DEPOSITORY, CHICAGO, IL

April 15, 2015

KATE MAEHR, *Executive Director and CEO,*
Greater Chicago Food Depository.

U.S. House of Representatives,
Committee on Agriculture,
Washington, D.C.

Dear Mr. Chairman and Members of the Committee:

My name is Kate Maehr and I am the Executive Director and CEO of the Greater Chicago Food Depository. I am honored to represent food banks and agencies that respond daily to hunger across our nation. Thank you for this opportunity.

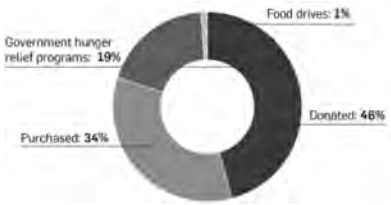
The Food Depository is one of 200 food banks in Feeding America's network that covers every county in the United States. Together, we serve more than 46.5 million people in need through 58,000 food pantries, soup kitchens, shelters and other programs.

Feeding America and the Food Depository have been in operation since 1979 and the food banking model in the United States has existed for nearly 50 years. Food banks were originally intended to be hubs where donated food could be collected and distributed to community hunger-relief programs. We were meant to be an emergency response and a supplement for Americans who struggled to access food. Over the decades, we have grown into something much greater.

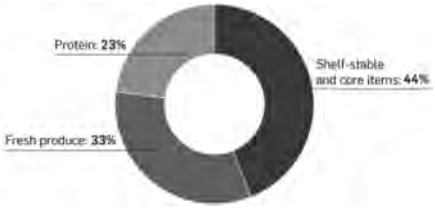
Every day, nonprofit food banks like the Greater Chicago Food Depository source and distribute millions of pounds of food. Last year, the collective output of all food banks neared 4 billion pounds. This has nearly doubled since 2009 when we distributed 2 billion pounds of food. We can do this with the generosity of food donors and financial supporters from all sectors, including our nation's largest food companies, retailers, farmers, corporate funders and millions of generous individuals. USDA commodities from TEFAP and CSFP are also a critical source of food for our network and we thank you for the TEFAP increase in the 2014 Farm Bill.

Greater Chicago Food Depository Food Sources and Distribution Fiscal Year 2014

Food Sources



Total Distribution By Food Type



Beyond distributing food through our networks of local agencies, food banks have developed special programs to reach food insecure children, seniors and veterans. We engage in SNAP outreach to help connect eligible households. And, because we know that a good job is often the best solution to food insecurity, many of us have workforce development programs.

At the Greater Chicago Food Depository, we have Chicago's Community Kitchens. This program offers free 14 week job training to unemployed adults who are passionate about starting a new career in food service. Since this program was founded in 1998, more than 1,200 men and women have graduated and gone on to successful careers.

Still, for millions of low-income households with working adults, and those who are unable to work—every day is a struggle to put food on the table. In 2014, Feeding America released its quadrennial *Hunger in America* study, which captures detailed information about who is in need of emergency food assistance throughout our communities. The report for the Food Depository's service area found that one in six of our neighbors receives food from our network. Of the households we serve, 36 percent include at least one child, 39 percent include a senior and 18 percent include someone who has served in the United States Armed Forces.

Hunger in America also shed more light on the health consequences of food insecurity and the difficult choices our clients make every day. Sixty-two percent of clients have chosen between paying for food and paying for medical bills, 73 percent have chosen between paying for food or paying for home utilities, 59 percent have chosen between paying for food or paying their rent or mortgage. Sixty percent of client households include someone with high blood pressure and 35 percent include someone with diabetes. The results of *Hunger in America* are a sobering reminder that an incredible need persists across our community.

This is why food banks advocate for the future of strong nutrition programs and this is why we are here today. While we strive to be greater, our goal is not to be larger. Our goal is to end hunger in our communities. And we know that achieving that goal requires a strong and coordinated response from private charity and public programs. We are proud of our daily impact on hunger, but it pales in comparison to the tremendous job done by Federal nutrition programs including SNAP, WIC, CACFP, School Lunch and Breakfast and Summer Meals. This is why we strive to connect people in need with these critical programs.

When the Great Recession hit, the demand for food assistance increased dramatically. In Cook County, Illinois, our network experienced a 70 percent increase in food pantry visits over 5 years. Each week, volunteers in community food pantries, church basement soup kitchens and meal programs saw more and more families walk through their doors for the first time, many of them saying, "I never thought I would be here."

While the record need has leveled off in many communities, it has not receded. Food banks are incredibly proud that we have risen to meet this need. We are proud of the thousands of generous donors and selfless volunteers who embody the American value of service. We are proud of the men and women who operate our partner agencies—most of whom are also volunteers. Together, we have responded to a record demand for food assistance. Together, we have kept millions of our neighbors from going hungry. But charity didn't do this alone. We will never be able to do this alone.

During this era of increased need, Federal nutrition programs—especially SNAP—did exactly what they were created to do. SNAP is the front-line defense against hunger in the United States. When our country experienced its most drastic economic crisis since the Great Depression, SNAP grew to meet the need. SNAP con-

tinues to protect millions of children, seniors, veterans, people with disabilities and working families from hunger. But as SNAP expanded over the last decade, so have misconceptions about the program.

In 2013, 43 percent of SNAP recipients lived in a household with a working adult. At the same time, 82 percent of SNAP benefits went to households that include children, seniors or people with disabilities. Approximately eight percent of military veterans receive SNAP benefits.

The average monthly SNAP benefit for an individual last year was $125.37. That comes out to a little more than $31 per week or $1.40 per meal. Every September, during Hunger Action Month, we encourage food bank supporters, partners and elected officials to take the SNAP Challenge and eat for 1 week on a SNAP budget. Many Members of Congress have taken the challenge. While this experience cannot duplicate the real life struggle of a food insecure person, it opens your eyes of the sacrifices, trade-offs and difficult choices made by families on SNAP.

Furthermore, SNAP gives people the opportunity to create a better future for themselves and their families. As many graduates of Chicago's Community Kitchens can attest, SNAP gives unemployed people the ability to provide for their family while they receive job training.

Every day, the SNAP program and food banks work in tandem to prevent millions of Americans from going hungry. Among households served by food bank programs, 55 percent also receive SNAP, but their benefits often run out before the month ends. And for families struggling with food insecurity who don't meet SNAP eligibility guidelines, food banks are there. Together, we have done a fantastic job during historically challenging times. But the need is still there, and if SNAP funding was to be cut further, or if unnecessary restrictions were placed on the program, food banks and pantries could never cover the difference. To put this in perspective, the eight food banks that serve Illinois distribute enough food for approximately 100 million meals each year, while SNAP benefits in Illinois can provide 1.3 billion meals per year.

Together we have the ability to end hunger in the United States. Every day, food banks like the Greater Chicago Food Depository strive to do more for our communities. We strive to offer more job training initiatives, expand our programs for veterans, provide fresh produce for food deserts and ensure that every child is fed during the summer. But we can only do this because Federal nutrition programs are the front line defense against hunger and our role is supplementary.

We understand and appreciate the difficult task our elected officials have to balance the budget. But the budget should not be balanced on the backs of our most vulnerable neighbors. For many low-income families, the recession isn't over. Unfortunately, a return to employment isn't always a return to food security. Both public and private programs that provide a helping hand in hard times are critical.

On behalf of the Greater Chicago Food Depository, Feeding America, our partner agencies and the people we serve, I thank you for your time and attention. I encourage you to protect SNAP and other critical nutrition programs in ongoing budget negotiations. And if you haven't, I encourage you to visit your local food bank to see first-hand the terrific work they do. Thank you.

Sincerely,

KATE MAEHR,
Executive Director and CEO,
Greater Chicago Food Depository.

The CHAIRMAN. Thank you. Ms. Green-Patton?

STATEMENT OF KELEIGH GREEN-PATTON, CHICAGO'S COMMUNITY KITCHENS, CHICAGO, IL

Ms. GREEN-PATTON. My name is Keleigh Green-Patton and I am a product of SNAP. Recently, I was promoted to a position that I believe represents a full-circle moment in my life. As I think about my humble beginnings I realize how far I have come.

My sister and I grew up in a single-parent home. My mother worked full time as a secretary. It didn't pay much but she did the best that she could. She made sure that we were active in free pro-

grams like music classes and gymnastics. My sister and I didn't know that she could barely keep food in the house.

My mom received Food Stamps, which is the equivalent of SNAP at the time, the kind that you tear out of the booklet. She was big on fruits and vegetables, and so we always had that stuff at home. She always insisted fresh was better, but we never knew how much she struggled to feed us. We never knew that it cost more to purchase an apple than to purchase a pack of noodles. But my mom knew, and so she did the best that she could with what she had.

When the stamps ran out in the middle of the month, we visited our local church for food baskets. Now my sister and I were excited to get whatever was in the boxes. They always had something special for us. We would carry the items home proudly as if we had just come from the grocery store.

But as a teenager, I became increasingly embarrassed about going to the church for food or paying for the groceries with the paper stamps. If I saw my friends that I knew at the store, I would wait until they left before I completed my purchase. And if they didn't leave, I would pretend that I left my money at home, thus leaving the purchase behind.

Years later, I found myself as a single mother of two. At different times over 4 years, I needed stamps to feed my children. I was very diligent about finding work. As a matter of fact, I ended up with both full-time and a part-time job to make ends meet, and I was able to stop collecting SNAP benefits. I really needed my girls to see that hard work pays off, but I struggled as many others just to keep food on the table, even with two jobs.

Later, I married and had two more children. We were doing well, in our two parent, two income family. We still lived paycheck to paycheck, but there was no need for assistance. We were happy and proud working Americans. But a little more than 11 years ago, I lost my $12 an hour job when the candy factory I worked at closed. I searched hard for any job, but I only had a high school diploma, no college or special training.

That's when I applied for Chicago's Community Kitchens which is a workforce development program at the Greater Chicago Food Depository, and my life has never been the same since. The program gave me culinary skills and the confidence I needed to start a new career. But while the program had no monetary cost for me, I was still without income while I trained full time for 3 months.

To supplement the lack of income, the only thing I could do was to go back and apply for food stamps. We received about $400 a month for a family of six. When the stamps ran out, my local church was kind enough to give us food baskets. It was just enough to bridge the gap before the end of the month. I didn't understand it when I was a teenager, but I understand now how important these benefits were and are to families like mine. I never wanted to be on Food Stamps, but when I look back on it today, I am so blessed that it was there when I needed it.

It is now 10 years later. I am still happily married with four children. After graduating from Chicago's Community Kitchens, I gained immediate employment and eventually purchased my first home within that year. My career continued to advance when I started working in school food service. As I settle into my new posi-

tion of District Manager for the State of Illinois for Chartwell School Food Service, I am proud to say not only can I afford to feed my family, but we always have nutritious food in the house. I can even afford to send my babies to college. I work for a great company whose philosophy is eat, learn, live, and I have had the opportunity to pay it forward in several ways. I have been able to offer internships and jobs to many of the Chicago's Community Kitchens graduates. On a monthly basis, where I am the associate pastor at my church, I started a free hot meal to anyone in the community that needs it.

I am so blessed and thankful to have the opportunity to testify before you today. As a child, Food Stamps kept me and my sister from going hungry. As an adult, Food Stamps allowed me to feed my children while I invested in my own future. Many people call SNAP a safety net, but for me it was like a trampoline, able to bounce my family back into work and a brighter future.

I am so proud to represent the millions of families across the United States who have benefited from SNAP. And on behalf of households who need SNAP now and in the future, I ask you to protect this important program. Thank you for hearing my story.

[The prepared statement of Ms. Green-Patton follows:]

PREPARED STATEMENT OF KELEIGH GREEN-PATTON, CHICAGO'S COMMUNITY KITCHENS, CHICAGO, IL

April 15, 2015

KELEIGH GREEN-PATTON.

U.S. House of Representatives,
Committee on Agriculture,
Washington, D.C.

Dear Mr. Chairman and Members of the Committee:

My name is Keleigh Green-Patton and I am a product of SNAP.

Recently, I was promoted to a position that I believe represents a full circle moment in my life. As I think about my humble beginnings I realize how far I have come.

My sister and I grew up in a single parent home. My mother worked full-time as an administrative assistant, but it didn't pay much and she did the best she could to give us a good childhood. She made sure we were active by participating in free music classes, gymnastics and ice skating. My sister and I didn't know that, like thousands of other families, we could barely keep food in the house.

My mom received Food Stamps—the equivalent of SNAP at the time—the kind you tear out of the booklet. She was big on fruit, vegetables and beans so we always had that at home. She always insisted fresh was better. We never knew just how much she struggled to feed us. We never knew that it cost more to purchase an apple than to purchase noodles. But my mom knew we needed good food in order to grow and so she did the best she could with what she had. When the stamps ran out in the middle of the month, we visited our local church for food baskets. My sister and I were excited to receive whatever was in the box. We would carry the items so proudly as if we had just come from the store.

As a teenager, I became increasingly embarrassed about going to the church for food or paying for groceries with the paper stamps. If I saw people I knew at the store, I would wait until they left before I completed my purchase. If they didn't leave, I would pretend that I left my money at home, leaving the food behind.

Years later, I found myself as a single mother of two. At different times over 4 years, I needed Food Stamps to help feed my children. I was diligent about finding work. I worked both a full and part-time job later and was able to stop collecting SNAP benefits. I really needed my girls to see that hard work pays off, but I struggled to keep food on the table, even with two jobs.

Later, I married and had two more children. We were doing well, in our two parent, two income family. But we didn't make enough to save up for the future, be-

cause we lived paycheck to paycheck. Yet there was no need for assistance. We were happy and proud working Americans. But a little more than 11 years ago, I lost my $12 per hour job when the candy factory I worked at closed. I searched hard for a new job, any job. I had a high school diploma but no college or advanced training. I needed skills that would last me a lifetime.

That's when I applied for Chicago's Community Kitchens, a workforce development program at the Greater Chicago Food Depository. My life has never been the same. The program gave me the culinary skills and the confidence I needed for a new career. But while the program had no monetary cost, I was still without income while I trained for 3 months.

To supplement the lack of income, I knew the only way to feed my family was to apply for food stamps. We received about $400 a month for six people. When the stamps ran out, my local church was kind enough to give us food baskets. It was just enough to help support our family until we could be in a better position to support ourselves. It was just enough to bridge the gap before the end of the month. I didn't understand it when I was a teenager, but I understand now how important these benefits were and are to families like mine. I never wanted to be on Food Stamps, when I look back on it today, I'm glad it was there when we needed it.

It's now exactly 10 years later and I'm still happily married with children. After graduating from Chicago's Community Kitchens, I gained employment with a catering company and eventually purchased a home. My career continued to advance when I started working in school food service. As I settle into my new position of District Manager for Chartwells, I'm proud to say not only can I afford to feed my family, but we always have nutritious food in the house. I also can afford to send my children to college. I work for a great company whose philosophy is Eat Learn Live and I've had the opportunity to pay it forward in several ways. I've been able to offer internships and jobs to many Chicago's Community Kitchens graduates. On a monthly basis, I volunteer at my church and we provide a free hot meal to anyone who needs it in our community.

I'm so thankful to have the opportunity to testify before you today. As a child, Food Stamps kept me and my sister from going hungry. As an adult, Food Stamps allowed me to feed my children while I invested in my own future. Without this program, I wouldn't have been able to start my new career. Many people call SNAP a safety net, but for me it was like a trampoline—bouncing my family back into work and a brighter future.

I am proud to represent the millions of families across the United States who have benefited from SNAP. On behalf of households who need SNAP now and in the future, I ask you to protect this important program. Thank you.

Sincerely,

KELEIGH GREEN-PATTON.

The CHAIRMAN. Well, Keleigh, thank you for sharing that with us. You have made my day. Thank you very much.

Ms. GREEN-PATTON. I appreciate that.

The CHAIRMAN. Thank you, Keleigh. Mr. Kunz, you may proceed.

Ms. GREEN-PATTON. Thank you.

STATEMENT OF DUSTIN KUNZ, RESEARCH MANAGER; SALESFORCE ADMINISTRATOR AND DEVELOPER, TEXAS HUNGER INITIATIVE, BAYLOR UNIVERSITY, WACO, TX

Mr. KUNZ. Thank you, Chairman Conaway, Ranking Member Peterson, and Members of the Committee, for the invitation to share about how statewide public-private partnerships are assisting low-income Texans in obtaining needed benefits including SNAP.

My name is Dustin Kunz, and I am a Research Manager for Baylor University's Texas Hunger Initiative, a collaborative and capacity-building project engaged in research and community development to create a food-secure Texas. I served as an AmeriCorps VISTA and United States Marine. I am an ordained minister and a veteran of Operation Iraqi Freedom.

Complex problems require complex, creative, and collaborative solutions. Public challenges, such as food insecurity, require a re-

sponse that exceeds the capabilities and resources of any one department, organization, or jurisdiction. Collaboration provides a way to stretch those resources and accomplish more with less, and the benefits of these partnerships include cost savings and enhanced quality and quantity of services, while also addressing community needs, enhancing trust, and increasing citizen support.

In Texas, the Health and Human Services Commission administers SNAP. To reach the entire state, they would either need to spend an incredible amount of money to maintain offices and staff and technology or else sacrifice service to some of our most vulnerable residents. Instead, a forward-looking Texas Legislature has engaged the help of nearly 1,200 organizations to provide application assistance. Partners include faith-based organizations, childhood intervention programs, libraries, hospitals, schools and colleges, and domestic violence shelters. And now approximately 60 percent of SNAP-eligible Texans can reach out to a partner in their ZIP Code to apply, re-certify, and when things improve, withdraw from SNAP with the help of community members, all at an incredibly low cost to the state and Federal Government.

There are two partnership levels. At self-service sites, a computer is made available to the public, and the online portal is readily accessible. For those that need additional support, we have application assistance sites where citizens can work with a staff member or volunteer called a navigator who has actually been trained to assist in the application process. This reduces errors in applications saving the government time and money while also promptly providing resources to the Texans who need them the most, and it utilizes existing charitable structures to decrease the need for so many physical government offices.

The Texas Hunger Initiative performs three key roles here, implementation, translation, and evaluation. THI has helped to implement this program through our 12 regional offices where we recruit, train, and support these partners with whom we have relationships, making it possible for us to interact on a level unattainable by a government agency. We translate the language of government programs to the nonprofit world and conversely translate nonprofit to government agencies. And finally, using data from the state and the field, Baylor University evaluates the effectiveness of these public-private partnerships to develop evidence-informed best practices.

Under the old system, when a Texan needed a hand they would usually take a shift off of work which cost them about ⅓ of the monthly SNAP allotment to spend hours in a government office for an interview and a paper application that Texas would later have to pay someone to digitize. Under the partnership I have described today, a citizen can call a minister at a local church and express the need for help. They schedule a time that doesn't interfere with the applicant's job, and the minister can share the myriad ways the church helps folks. If the individual chooses to apply for public benefits, the minister is trained to assist.

In the end, using either system, the individual is going to receive aid. But unlike the eligibility worker whose primary concerns are compliance and qualification calculations, the minister understands public benefits within the greater continuum of care in that con-

gregation. Independently, the public and private sectors can do a great deal for economically vulnerable Americans. But when they are working together, like we are in Texas, there is a much greater impact. We see increased efficiency of service. We see enhanced community capacity to address these and other local issues, and most importantly, the citizens who most need benefits and services have access to them. Agencies can efficiently execute programs, but staff and volunteers working in communities can put those programs in perspective, seeing them as part of the whole and as a crucial but intermediate step along the path to self-sufficiency, moving people from a place of vulnerability to a place of flourishing.

Thank you. I look forward to any questions you will have.

[The prepared statement of Mr. Kunz follows:]

PREPARED STATEMENT OF DUSTIN KUNZ, RESEARCH MANAGER; SALESFORCE ADMINISTRATOR AND DEVELOPER, TEXAS HUNGER INITIATIVE, BAYLOR UNIVERSITY, WACO, TX

On behalf of the Texas Hunger Initiative, Baylor University, and nonprofits and faith-based groups across Texas, I would like to thank you, Chairman Conaway, Ranking Member Peterson, and Members of the Committee, for the invitation to share with you about ways community organizations partner with government agencies to work towards a food-secure Texas.

My name is Dustin Kunz, and I am a research manager for the Texas Hunger Initiative (THI) at Baylor University. Prior to that I have served as an AmeriCorps VISTA and United States Marine. I hold a Master of Divinity degree from Baylor University; I am an ordained Baptist minister and a veteran of Operation Iraqi Freedom. I share this because my history demonstrates my purpose and my reason for testifying: in everything I seek the good of the world around me, whether that be for our country, my city, or my faith community. It is exactly that kind of love for the community that inspires every organization I will be sharing about today.

The Texas Hunger Initiative is a collaborative, capacity-building project focused on ensuring that every Texan has access to three nutritious meals a day, 7 days a week. THI develops and implements strategies to end hunger through research, policy, education, community organizing, and community development. Headquartered at Baylor University with 12 regional offices across the state, THI convenes Federal, state and local government stakeholders with nonprofits, faith communities and business leaders to create an efficient system of accountability that increases food security in Texas. At the heart of THI is the belief that because public challenges (and food insecurity is a good example) are multi-jurisdictional in nature, "they require a response that exceeds the capabilities and resources of any one department, organization, or jurisdiction, and collaboration, including multi-jurisdictional partnerships, provides a way to stretch resources, and accomplish more with less." [1] Public-private partnerships are collaborations that involve a "public agency and either a private firm or nonprofit organization," and each plays a role in service delivery. Benefits of public-private partnerships include "cost savings [and] enhanced quantity and quality of services" in addition to benefits for the local community, such as "addressing community needs, enhancing trust between participating entities, and increasing citizen support." [2]

Coverage

In Texas, the Texas Health and Human Services Commission (HHSC) administers SNAP and other important programs, including the Children's Health Insurance Program and hospice services. HHSC maintains several offices and local staff, but Texas is big—really big. We have 254 counties, cover a span of almost 269,000 miles[2], and have more than 27 million residents.[3] To reach the entire state, the HHSC would ordinarily need to either expend an incredible amount of money to maintain physical offices, government personnel, and secure technology to cover an

[1] O'Leary, R., and C. Gerard. 2013. *Collaborative governance and leadership: A 2012 survey of local government collaboration.* THE MUNICIPAL YEARBOOK 2013. Washington, D.C.: ICMA, 57.
[2] *Ibid,* 251.
[3] Texas Department of State Health Services.

area more than 3,935 times the size of D.C., or else sacrifice access to some of our most vulnerable residents. But I said "ordinarily." Instead, Texas joined the ranks of a few other forward-looking states and engaged the help of nonprofit organizations across Texas who already exist, relate, and thrive in communities that programs like SNAP seek to help.

Access

Right now, over 1,100 community based organizations in Texas partner with the state to provide application assistance for SNAP and other public benefits programs. These organizations have the option to provide assistance to their *existing clientele* or the *public at large.* This means that, without divulging sensitive information to the general public, shelters can provide application assistance to victims of domestic violence, and at the same time a local church, synagogue, or mosque can help anyone in need. Organizations can be found via the government website, a phone call to a free health and human services information and referral system (in Texas, 2-1-1), or via other community organizations who refer persons in need.[4]

There are two main partnership levels within this program: Self Service and Assistance. At **Self Service** sites, a computer is made available to the public and the online portal is immediately accessible. This is an excellent option for members of the community who are comfortable using computers and have a strong command of the technical language and processes used in the application process, but who do not have access to a reliable Internet connection and a computer with the latest authentication protocols installed.[5] However, to be honest, while I grew up in the age of technology and computers do not generally present a challenge for me, as an AmeriCorps VISTA I found the application jargon difficult to understand in places, especially for a first time applicant looking for short-term benefits. This is why HHSC created the second level of partnership, what we call **Application Assistance** sites. At these sites, applicants can sit down with a staff member or volunteer called a *Navigator.* These Navigators receive free online training from the state that enables them to assist in and answer questions regarding the application process. This reduces errors in applications, saving the government both time and money while also more promptly and efficiently providing resources to the Texans who need them, and it utilizes extant charitable structures to significantly decrease the need for government offices in many places

Who?

The more than 1,100 organizations who partner with the state comprise various constituencies and come from many different sectors, including faith communities and faith-based ministries, Head Start programs, libraries, hospitals and clinics, educational institutions from Pre-K all the way through higher education, *colonia* programs, land-grant universities, homelessness prevention and transitional housing, rehabilitation centers, and domestic violence shelters. Of those 1,100 distinct partners, we know that more than 375 work in health and disability; 300 in education, early childhood intervention, or afterschool programs; more than 60 offer protective or rehabilitative services; and more than 50 offer employment assistance and skill training (and we expect this number to increase significantly very soon). Of the partners, about 200 are faith-based, and many others obtain volunteers for nearby faith communities.

Sector	Category			Total
	Non-Faith Based	Faith-Based	Government	
Education	37	0	0	**37**
Health & Disability	342	44	2	**388**
Early Childhood Intervention & Afterschool Enrichment	264	0	0	**264**
Faith Community & related Ministries	0	69	0	**69**
Government	3	0	6	**9**
Community Center	11	1	6	**18**
Community Development	12	0	0	**12**
Protective & Rehabilitative	55	4	2	**61**
Employment & Skill Training	44	3	0	**47**
Family Services	34	4	0	**38**
Other	171	65	3	**239**

[4] Organizations can opt out of a public listing; this is in some cases crucial for the safety of their clients, as in the case of domestic violence shelters.

[5] This became particularly important after the OpenSSL exploit became known last year, which left many websites vulnerable to nigh-untraceable hacks. Fortunately, the HHSC computer systems were protected, and there was no interruption in access for Texans using this system.

Sector	Category			Total
	Non-Faith Based	Faith-Based	Government	
Total	973	190	19	**1,182**

Reliable transportation is one of the most common barriers for economically vulnerable residents. Getting to an agency office for the application itself, to submit appropriate documentation, and in some cases to attend an in-person interview, is difficult when the applicant does not own a reliable car. This results in missed appointments, delayed processing times, and an additional burden not just on the applicant, but on the agency eligibility workers. Our partners exist in 171 counties and 530 ZIP Codes. This means, when times get tough and they need a hand up, approximately 3.4 of the 5.26 million (c. 66%) of the presently SNAP eligible Texans could reach out to a partner in their area to apply to, re-certify with, or (when things improve) withdraw from the benefits program with the help of the community members who care about them most, all at an incredibly low cost to the state government.

Impact

Since the inception of this program, the percentage of applications filed electronically has risen to 68.1 percent. This means that those who are applying for benefits are doing so in a more efficient, cost effective manner. Direct-service nonprofits have leveraged mutually beneficial partnerships with the state to both build relationships with and better serve their communities' needs. They see the whole person and the whole neighborhood, not just a computation of income percentages, asset limits, and benefit rates. To put this another way, they seek not to determine the applicants' benefits, but how everything might work together to be of benefit to the community.

What does this have to do with Baylor University?

The Texas Hunger Initiative is contracted by the state to perform three key roles: implementation, translation, and evaluation. (I told you I was an ordained Baptist minister, so you should have seen the three points coming.)

Since this program began, THI has played a role in its **implementation.** Staff in all 12 of our regional offices and members of Texas Impact (TI) and the Texas Association of Community Health Centers (TACHC) work to *recruit, train, and support* these organizations in their partnerships with the state. Our staff members have relationships with most of these organizations, and so are able to interact with them on a level that would be much more difficult for a state agency to do so.

This, of course, leads into our second role. In these public-private partnerships, there is often a need for **translating** the language of government programs to the nonprofit world and, conversely, we nonprofits have a language all our own, complete with dialects of social services, community centers, and religious groups. THI, TI, and TACHC speak both languages.

Remember too that THI is part of Baylor University, and as such we are in a unique position to do research on public-private partnerships. Using information from the state, field data collected by staff, and the feedback from community organizations working in the trenches, Kathy Krey, Ph.D., THI Director of Research, and her team pool quantitative and qualitative data to **evaluate** the impact and effectiveness of the program, and to develop evidence—informed best practices for all of the public-private partnerships in which we are engaged.

Boots on the Ground

I have given you a high level overview, but ultimately we are talking today about how public-private partnerships inform the ways that government agencies and private nonprofits might work together to help *people,* so I would like to finish by bringing this conversation much closer to home.

When I returned from Iraq in 2008 I was released from active duty and returned to the United States Marine Corps Reserve. With my degree in theology and philosophy, I was perfectly poised for both seminary and working at a coffee shop, so I did both. Preparing for ministry can be arduous and time-consuming, but also expensive, so while earning my masters of divinity degree, money was tight; at one point I lived for 12 days on cereal and peanut butter and jelly. Under the old benefits application system, my option was this: I could get someone to cover my 8 hour shift (which, at $7.50/hr would cost me approximately ⅓ of the monthly SNAP maximum allotment) and spend a few hours waiting in a government office for an interview while I fill out a paper application as best I can, attempting to decipher the terms on the page (the first potential source of errors). That application would then go to a government employee, who then has to punch that application into a com-

puter system (the second potential source of simple error), before it is submitted to the state. Everyone I interact with has noble goals: to get me the benefits for which I legally qualify, and to ensure the state program complies fully with the Federal regulations.

Under the partnership I have described in brief today, things are a bit different. Instead of going to a government office, I call Will, a minister at Calvary Baptist Church, a congregation a few blocks from my house. "Will," I say, "I'm in a tight spot and I could use some help." Will, with whom I have a personal relationship, schedules a time with me that does not interfere with my job or my education, and tells me about the various ways the church helps people in my situation. If I would like to apply for public benefits, Will sits with me to help me with the application online, as he has been trained to do. Now in the end, if everything goes well, *eventually* I will receive help using either system. But Will's goals are different: Will locates my application assistance within the greater continuum of care within this faith community, and he has a deep, personal interest in seeing my community prosper, and in seeing me move from a place of vulnerability to flourishing, so that instead of being a perpetual SNAP-recipient, I am volunteering at the church to help them care for the rest of my community.

The public sector can do and has done a great deal for economically vulnerable Americans, and without the programs we are talking about, the private sector would have hopes and good intentions, but no way to realize them. But the government can never know me and my needs the way a community based organization in my city can. Agencies execute programs with precision and efficiency, but staff and volunteers at the nonprofit that serves my neighborhood can put those programs in perspective, seeing them as only part of the whole—a crucial but step along the path to self-sufficiency and more full participation in the systems and the life of the greater community.

The CHAIRMAN. Thank you, Mr. Kunz. Ms. Ender?

STATEMENT OF LYNDA TAYLOR ENDER, AGE (ADVOCACY GROUP FOR ELDERS) DIRECTOR, THE SENIOR SOURCE, DALLAS, TX

Ms. ENDER. Chairman Conaway and Members of the Committee on Agriculture, thank you for inviting me to speak on how one nonprofit agency in Dallas, Texas, is engaging in a public-private partnership to provide SNAP benefits to older adults.

My name is Lynda Taylor Ender, and I am the AGE Director at The Senior Source, a nonprofit agency that has served older adults in the greater Dallas area for over 50 years. Our mission is to improve the quality of life of older adults through protection, elder care, advocacy, volunteerism, and employment services. While the majority of our clients are of lesser means, many of our programs provide services to all economic levels.

We are members of the Dallas Coalition for Hunger Solutions, which has a Senior Hunger Action Team that is working on increasing senior participation in SNAP and attendance at congregant meal sites.

In 15 years, adults over 60 years of age will make up more than 20 percent of the population in Texas. That means one in five walking the mall will be over 60. The growth is a worry because currently nine percent of seniors in Dallas County live below the poverty line, and 57 percent of eligible seniors are not receiving SNAP. Why aren't eligible seniors applying for SNAP? Well, many do not realize the program exists or that they might be eligible. They may not see themselves as poor. For some there is a stigma attached to accepting government assistance. Some seniors believe it would be too difficult to apply or believe the myth that they would only get $7 so it is not worth applying.

A lack of transportation and a complicated application process can be deterrents. As a community partner, The Senior Source is certified by the Texas Health and Human Services Commission to provide assistance to people interested in accessing benefits. The SNAP application is complicated and confusing, even for professionals. Our Elder Support Program staff have been specially trained to navigate the online application, and they have access to support help when they need it.

When an older adult contacts our agency for any kind of assistance, we try to help them with any emergency need they have first, like food from our small pantry. Next we will ask them, if they would like to make an appointment to see if we can assist them further. Usually they will. When they come for the appointment, we evaluate if the person could qualify for SNAP or any other benefits. Our social workers allow 1½ hours to work with an individual on completing a SNAP application. We access emergency SNAP for many applicants. They can get help in less than a week. Most of our applicants are approved for a year because their income does not change. Most of our clients who apply for SNAP are awarded between $16 and $194 a month. The majority of our clients are women, and their age range is 60 to 90.

An example of a client would be a 77 year old woman who contacted The Senior Source requesting assistance. Her husband had recently died, and her income had been reduced to $970 a month. She was having a difficult time paying her rent, utilities, purchasing food, and medications. Staff determined that she was eligible for SNAP. She was awarded $194 a month in SNAP benefits. This resulted in a yearly savings of $2,328. While this does not address the fact that her income is still less than $12,000 a year, this will help ensure that she has access to healthy food.

Every day we see what occurs when an older adult does not have enough healthy food to eat. Without good nutrition, they are more prone to illnesses and falls, are more likely to show signs of mental confusion and be victims of financial or physical abuse. For these reasons, they may lose their ability to live independently. There is a very real need for Community Partners and navigators because the application is confusing to older adults, the notices are confusing, and they feel more comfortable going to a trusted organization in their community for assistance.

Thank you again for the opportunity to talk to you about how The Senior Source assists older adults with the SNAP application process through a public-private partnership.

[The prepared statement of Ms. Ender follows:]

PREPARED STATEMENT OF LYNDA TAYLOR ENDER, AGE (ADVOCACY GROUP FOR ELDERS) DIRECTOR, THE SENIOR SOURCE, DALLAS, TX

A Community Partner's View of SNAP's Role in Combating Older Adult Hunger

Chairman Conaway, Ranking Member Peterson, and Members of the Committee on Agriculture, thank you for inviting me to speak on this important topic. My name is Lynda Taylor Ender, and I am the AGE Director at The Senior Source, a nonprofit agency that serves older adults in the greater Dallas area. I educate members of our community on older adult issues and advocate on those issues with public policymakers utilizing my experience as a teacher in the public schools, a legislative aide to a state senator and most importantly as a caregiver for aging parents.

The Senior Source

Mission and Vision

Senior Citizens of Greater Dallas, Inc., doing business as The Senior Source, has served the Dallas community for more than fifty years. Although the nature and scope of agency services has evolved over time, The Senior Source remains steadfast in its mission to improve the quality of life of older adults in the greater Dallas area through protection, eldercare, advocacy, volunteerism and employment services.

Specific Needs Addressed by The Senior Source

The Senior Source provides services to the community through its ten programs. The programs serve those 50 years of age and over and family members of older adults. Services are offered in Dallas and Collin Counties, except for the Nursing Home Ombudsman Program and the Elder Financial Safety Center, which cover only Dallas County. More than 25,000 clients of all ethnicities and income levels are served annually by 63 staff members operating under a 55 member Board of Directors. While the majority of clients are at the poverty or low income level, many of the programs of the agency provide service to all economic levels. The programs address a wide spectrum of the needs of older adults. For those who still need to work and are able, we have an employment program. We assist older adults in accessing meaningful volunteer opportunities, provide supportive services to enable vulnerable elderly to remain living in their own homes, and for the frailest, provide guardianship or nursing home ombudsman services. We also provide services to caregivers of older adults. Through the new Elder Financial Safety Center, financial needs of older adults in the areas of prevention, protection, and prosecution are addressed.

Hunger Addressed by The Senior Source

It is our long history of working in our community to protect and improve the quality of life for older adults that led to our joining the Dallas Coalition for Hunger Solutions. One of the Coalition's action teams is the Senior Hunger Action Team chaired by Katie Dickinson, Chief Administrative Officer of The Senior Source and established in May of 2014. Since that time, the Team has been working hard on a strategic planning process to create a set of goals to study senior hunger and to develop implementable strategies for reducing it. Representatives from many organizations brought their expertise to the table. The Team has studied the current landscape of senior hunger in Dallas, identified barriers that currently exist to solving the problem of senior hunger and pinpointed the resources available to overcome those barriers. The Team has identified short term goals and strategies to achieve those goals. They have issued a report to describe the challenges seniors face accessing food, share the Senior Hunger Action Teams plans and invite other community members to join them in addressing this critical community need.

The Senior Hunger Action Team has decided to focus in the short-term on two key strategies for reducing senior hunger:

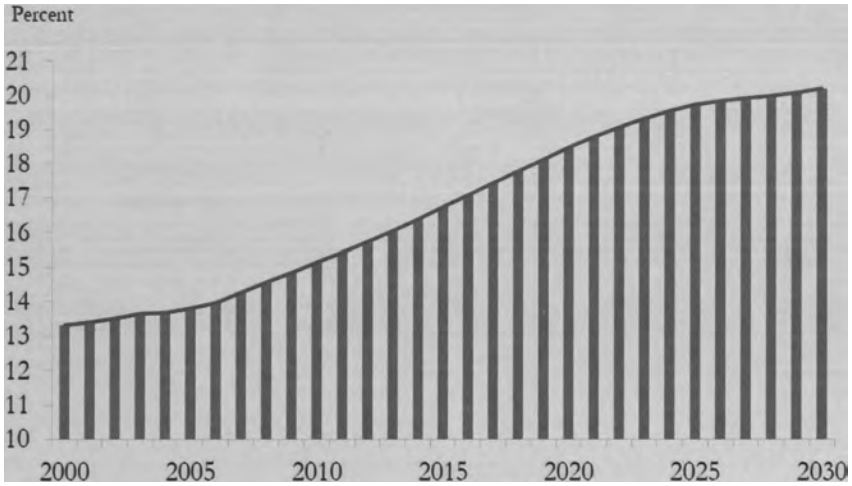
- Increasing senior participation in SNAP.
- Increasing senior attendance at publicly funded daily congregate meal sites.

They will focus primarily on raising awareness by developing and distributing literature that describes the value of SNAP, ways to get the most out of using it and the variety of ways that seniors can apply, including by phone and in person at community organizations that serve as HHSC Community Partners. Distribution of literature will be through churches, Meals on Wheels delivery drivers, AARP, homeowners associations, caregivers and health care providers. They will provide information at community events and local markets. They will provide peer-to-peer SNAP counseling for seniors and reach out to apartment managers at properties with large senior populations.

Mapping the Landscape of Senior Hunger

Seniors are a swiftly growing population in the United States, and especially in Texas. Seniors over the age of 60 are estimated to make up over 16% of the population in Texas and in the next fifteen years that number is expected to jump to 20%.

Projected Percentage of Age 60+ Population in Texas



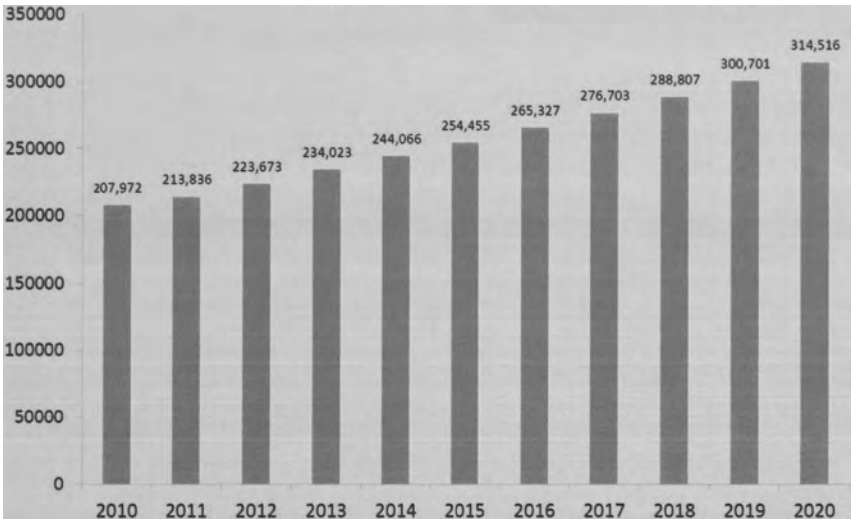
Source: HHSC Administration on Aging.
Note: 2001–2003 based on interpolation between 2000 and 2004 data.

Projected Percentage of Age 60+ Population in Texas

That means that by the year 2030 there will be over 6.5 million people who are older than 60 in Texas alone. In Dallas County, the second most populous county in Texas, the senior population is expected to rise by over 60,000 by the year 2020.

Nearly 90 percent of people over age 65 want to stay in their home for as long as possible, and 80 percent believe their current residence is where they will always live. (AARP, December 2011)

Projected Number of Age 65+ Population in Dallas County



Source: Richard Amory, North Texas Food Bank.

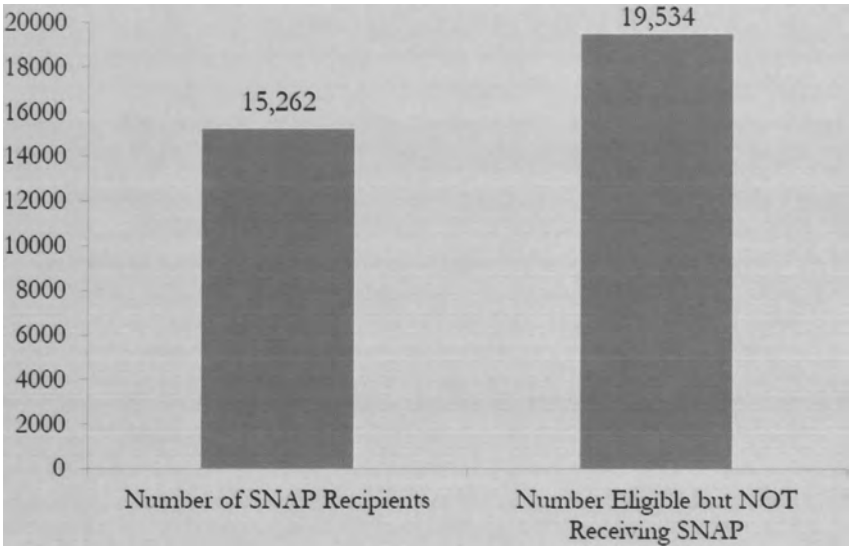
This is hardly surprising given the fact that the baby boomer generation has begun to age into this category, and it would not be cause for concern if not for the fact that currently 9% of seniors in Dallas County live below the poverty line. That means that over 20,000 seniors in Dallas County may not know where their next

meal is coming from and often have to choose between feeding themselves and paying their bills.

On top of this, many seniors in Dallas County are homebound, as nearly 25,000 households in Dallas headed by seniors have no access to a vehicle. Transportation is a big factor in senior hunger; if a senior is unable to drive themselves to a grocery store, or if they must take a bus or rely on a family member for transportation, it is likely to influence how often they make the journey and how well they eat between trips. Fortunately, there are some programs in place to help seniors who are food insecure, including SNAP and senior meals programs.

Many seniors are eligible to receive SNAP, meaning that their income is low enough that they qualify for this assistance. Unfortunately, 65% of those eligible nationally are not currently receiving this important benefit. In Dallas County, 57% of eligible seniors are not receiving SNAP. That amounts to over 19,000 seniors in Dallas County who are low-income and need assistance purchasing food, but are not receiving the help they are likely eligible for.

SNAP Data for Dallas County Seniors, age 65+



Barriers to Seniors Accessing SNAP

There are a myriad of reasons why eligible seniors may not be receiving SNAP. Many seniors simply do not realize that this program exists or that they might be eligible. Often there is a stigma attached to accepting government assistance; people feel that they should be able to get by on their own, even when it is increasingly difficult to do so. They may not see themselves as poor. Some seniors believe that it would be too difficult to apply or the myth that they would only get $7 so they don't believe applying to be worth it. A lack of transportation to get to an office to apply for assistance and the fact that the application process is complicated for them can be deterrents. Other significant barriers include financial issues and eligibility concerns. As a person ages, it can sometimes be more difficult for them to manage their finances and often the bills one is obligated to pay (medical bills, among others) can increase dramatically with age. Financial and eligibility issues are often intertwined. For example, a widow who had never handled finances before her husband passed away might have a difficult time making ends meet with her suddenly lower income and still may not be eligible for SNAP due to assets she has, such as a car or a small amount of savings.

The Senior Source is working to educate seniors on SNAP in their daily interactions with clients. We are Community Partners, which means that we are certified by the Texas Health and Human Services Commission to provide assistance to people interested in accessing benefits through *YourTexasBenefits.com.* We focus primarily on assisting seniors to access benefits by having tech-savvy individuals onsite who are ready to answer questions and walk seniors through the application process step by step. There are also many other agencies serving as Community

Partners that can provide assistance to seniors in applying for benefits. The Senior Source has a Money Management Program and an Elder Financial Safety Center that can help with insurance, financial planning and more.

Overview of a Community Partner

When an older adult contacts The Senior Source for any kind of assistance, we try to help them with any emergency need and an example would be food from our small pantry. Next, we will ask them if they would like to make an appointment for us to see if we can assist them further. Usually, they will, and we mail them a reminder notice with a check list of documents they need to bring with them and a copy of the Intake Form. Copies of the Intake Form and meeting notice are attached. When they come for the appointment, we evaluate if the person could qualify for SNAP, Medicare savings, Medicaid, or any other benefits. Housing and medical bills are the high costs that help them qualify.

If our clients' SNAP applications are denied, it is most often because of income and/or missing documents. The SNAP application is complicated and confusing even for professionals. Our Elder Support Program staff have been specially trained to navigate the online application.

We have found that clients have a difficult time going to a food stamp office. They may be intimidated because they have to make an appointment, they may not feel comfortable having to wait, and we are told by them that the staff at SNAP offices are not as polite to them as we are. They may choose to go to a food pantry instead and call us for other assistance.

Our social workers allow 1½ hours to work with an individual on completing a SNAP application. We access emergency SNAP for many applicants. They can get help in less than a week. It has to be renewed every month until their application is processed. After they are approved, most of our applicants are approved for a year because their income does not change. Even with SNAP, it is hard for recipients to afford fruits and vegetables.

Most of our clients who are eligible for SNAP do apply for it and are awarded between $16–$194. The majority of our clients are women, two for every man and the age range is 60–90.

A 77 year old woman contacted The Senior Source requesting assistance. Her husband had recently died, and her income had been reduced to $970 a month. She was having a difficult time paying her rent, utilities and purchasing food and medications. After meeting with the client, staff determined that she was eligible for SNAP. She made an appointment with a Benefits Specialist and was assisted in applying for this benefit. She was awarded $194 a month in SNAP benefits. Through our community resources, we were also able to pay her utility bill for 1 month saving her an additional $174. This resulted in yearly savings for the client of over $2,500. While this does not address the fact that her income is still less than $12,000 a year, this will help insure that she has access to healthy food.

Being a Community Partner helps us to meet our mission of improving the quality of life of older adults. Without adequate nutrition, it is very difficult for an aging person to maintain his or her health. And without good health, the older adult is not able to remain independent, and often ends up in an assisted living or nursing facility. This is a great opportunity for our staff to be proactive to our clients' needs. Every day we see what occurs when an older adult does not have enough healthy food to eat. Without good nutrition, they are more prone to illnesses, are more likely to show signs of mental confusion, more prone to falls, and are more likely to be victims of financial and/or physical abuse, all reasons why they lose their ability to live independently in the community.

Being a Community Partner has given our social workers training, and they have access to support help when they need it. Our RSVP Program is training more navigators to assist people in applying for SNAP at other nonprofits.

There is a very real need for Community Partners and navigators because the application is confusing to older adults, the notices are confusing, and they feel more comfortable going to a trusted organization in their community for assistance.

Thank you again for the opportunity to talk to you about how our nonprofit organization plays a role in the SNAP application process with older adults.

THE SENIOR SOURCE®

This is a reminder that you have an appointment scheduled at The Senior Source.

You will be applying for the following benefits:

☐ SNAP ☐ Medicare Savings ☐ Medicaid ☐ Extra Help with Prescriptions

Date: _____ **Time:** _____

Location: 3910 Harry Hines Blvd., Dallas, TX 75219

Please **complete** the attached Intake Form and bring it with you on the day of your appointment. The documents below are needed to submit your application.

Documents to bring (Some may not apply to you)	☑
ID—Driver's license or Department of Public Safety ID card	☐
Social Security Cards	☐
Citizenship—Medicare Card or U.S. passport, Certificate of Naturalization, U.S. birth certificate, hospital record of birth	☐
Alien registration card, documentation from the Bureau for Citizenship and Immigration Services	☐
Earnings—Pay stubs, copy of checks, a statement from employer or self-employment records	☐
Social Security, Pension, Veterans Administration, Supplemental Security Income, Workers' Compensation or Unemployment Benefits—Award letter or pay stubs	☐
Current bank statements for **ALL** accounts	☐
Medical bills, receipts or statements from the provider	☐
Insurance policies—Copies of life, burial and health insurance policies; statements from the insurance provider showing the current value	☐
Rent/Mortgage—Copies of check stubs, statement from lender or landlord	☐
Most recent utility bills showing current address and name	☐
Property Tax Record	☐

Feel free to call with any questions regarding your scheduled appointment or to reschedule.

Sincerely,

Courtney Smith, LCSW
Director, Elder Support Program

A UNITED WAY SERVICE PROVIDER
3910 HARRY HINES BOULEVARD · DALLAS, TEXAS 75219 · 214.823.5700 · FAX 214.826.2441
WWW.THESENIORSOURCE.ORG

THE SENIOR SOURCE®

Intake Form

Full Name: _____
First *Middle* *Last*

Complete Address: _____
Street # *Street Name* *Apt. #* *City* *State* *Zip Code*

Home Phone: _____ *Cell Phone:* _____ *Date of Birth:* _____

Email: _____ *Social Security #:* _____

Gender: ___ Female ___ Male *Race:* _____ *Marital Status:* _____

Income Source *Gross income (before taxes & deductions)*	***Monthly Household Income*** *Self*	*Spouse*	*Dependents*
Social Security Benefit	$	$	$
Social Security Disability (SSDI)	$	$	$
Supplemental Security Income (SSI)	$	$	$
Veterans Assistance (any & all types)	$	$	$
Pension	$	$	$
Investments (IRA, Savings, Annuity, etc.)	$	$	$
Rental Property	$	$	$
Wages	$	$	$
Child Support	$	$	$
Other	$	$	$
Total Gross Monthly Income	$		

Monthly Household Expenses *(approx. amount)*					
Rent/Mortgage	$	Car Payment	$	Medication	$
Cable & Internet	$	Car Insurance	$	Medical Expenses	$
Phone	$	Gasoline	$	Dental Expenses	$
Gas (utility)	$	Credit Cards/Loans	$	Life Insurance	$
Electric	$	Household goods	$	Health Insurance	$
Water	$	Food	$	Home Insurance	$
Total Gross Monthly Expenses: $_____					

The CHAIRMAN. Thank you, Ms. Ender. Mr. Webb?

STATEMENT OF JONATHAN WEBB, DIRECTOR, FOUNDATIONS AND COMMUNITY ENGAGEMENT, FEED THE CHILDREN, EDMOND, OK

Mr. WEBB. Chairman Conaway, Ranking Member Peterson, Members of the Committee, it is truly an honor to be among my colleagues today to testify on SNAP and the role of nonprofits in addressing hunger in the United States. Thank you for the opportunity to share about our work and offer insight into how nonprofits and government can strengthen our vital collaboration. Also, thank you to my fellow witnesses from Texas Hunger Initiative, Texas Community Partner Program, the Greater Chicago Food Depository, and Ms. Green-Patton for coming to the table to share their experience and shed light on both the nexus of the Federal nutrition safety net and the necessary role and work of nonprofits.

My name is Jonathan Webb. I am a Director of Foundation and Community Engagement with Feed the Children. Feed the Children is based in Oklahoma City. We are one of the largest anti-hunger organizations in the United States. We are 99 percent privately funded with less than one percent of our funds coming from Federal Government resources. Half of our programming occurs in 18 countries internationally while the other ½ occurs domestically in the United States.

One of our strengths is our network of 1,200 partner agencies. The majority of the people that we serve are enrolled in SNAP or some other form of Federal nutrition assistance. We applaud the Congress for upholding SNAP in the 2014 Farm Bill and for investing in new, innovative demonstration projects on both childhood hunger and SNAP employment and training.

SNAP is an invaluable resource and a strong safety net for the children and families we serve. Without it, hunger in America would be much, much worse. While we strongly support the value of SNAP as a tool, we believe it should not be the only tool. Having international and domestic operations provides Feed the Children with a unique vantage point. Globally, both child deaths and absolute poverty have decreased by 50 percent since 1990. We believe this to be due to collective impact. Hunger is a complex issue with many underlying causes which include poverty, education, unemployment, and health. This means that no one organization can address the issue alone.

Internationally the collaborative approach is one that leverages existing community assets while collectively building the foundational elements to transform a community and move it from its current situation. Domestically, while the war on poverty has had great strides, poverty still exists. In the United States, our approach to anti-hunger lacks collaboration, and it does not always address the underlying causes of hunger. This is not due to groups not willing to work together or not understanding the issue. The issue is that sometimes often the available funding sources don't incentivize collaboration.

The role of nonprofits in a domestic fight against hunger should be as a collaborator, an innovator, and an evaluator. Given the complexity of the hunger issue, we need an all-hands-on-deck ap-

proach that allows nonprofits and a cross-section of players to serve as an incubator, giving us the freedom to test innovative solutions, the flexibility to fail, and in the process find transformative solutions that could be measured for impact and ultimately scaled up.

We believe the government is in a position to encourage collaboration around these three roles. Therefore, we make the following three recommendations. One, we recommend that Congress use existing resources to create the Food and Security and Nutrition Social Innovation Fund. This would promote collaboration among nonprofits, community leaders, faith groups, and academics and would allow us to collectively create, identify, and scale up those programs and models and the policies that decrease the number of people who need the safety net, instead of just trying to improve the safety net. It also creates an opportunity for anti-hunger organizations to share best practices more efficiently.

Second, we recommend that Congress focus on funding for nonprofits working collaboratively on demonstration projects that test innovative approaches to improving food insecurity and administering Federal Nutrition Programs.

Last, we recommend that Congress require an impact measurement of programs using food security and nutrition indicators to determine progress towards a larger goal.

Again, we thank you for the opportunity to be part of today's hearing. Feed the Children is committed to creating a world where no child goes to bed hungry. We welcome the dialogue and hope to be a part of this ongoing conversation. Thank you.

[The prepared statement of Mr. Webb follows:]

PREPARED STATEMENT OF JONATHAN WEBB, DIRECTOR, FOUNDATIONS AND COMMUNITY ENGAGEMENT, FEED THE CHILDREN, EDMOND, OK

Fostering Innovation, Collaboration, and Improved Measurement

Introduction

Chairman Conaway, Ranking Member Peterson, and Members of the Committee, it is an honor to be among my colleagues here today to testify on the role of the charitable sector in addressing hunger in the United States. Thank you for the opportunity to share about our work and offer insight into how the nonprofit community and government can strengthen our vital collaboration. Additionally, thank you to my fellow witnesses from Texas Hunger Initiative, Texas Community Partner Program, and the Greater Chicago Food Depository for coming to the table to share their experience and shed light on both the nexus of the Federal nutrition safety net and the necessary role and work of nonprofits.

Feed the Children's mission is to *ensure that no child goes to bed hungry.* To this end, Feed the Children works alongside the government, serving individuals and communities struggling to overcome food insecurity. Based in Oklahoma City, Feed the Children is one of the largest charitable organizations in the U.S. Over the last 36 years, we have developed a national partnership network of over 1,200 agencies and established a legacy of meeting the immediate needs of Americans struggling with food insecurity and educational challenges in all 50 states. We provide critical relief after natural disasters and support our community partners who serve populations in rural and urban communities. The majority of people we serve are enrolled in the Supplemental Nutrition Assistance Program (SNAP) or another form of Federal nutrition assistance. Collaborating with grassroots leaders, we have built a track record of combating childhood hunger through dynamic local partnerships and impactful programing. Today, we will present three concrete suggestions for how the Federal Government can leverage its infrastructure to better incentivize collaboration among nonprofits.

As the Director of Foundations and Community Engagement, I work closely with private companies, charitable organizations, and individual donors that together

provide 99% of our funding. Additionally, I assist in facilitating Feed the Children's pioneer efforts to root our programing in research-based, partnership initiatives.

Five years ago, Feed the Children conducted a detailed assessment on how we—and our vast partner network—approach hunger here in the U.S. Our assessment revealed that our U.S.-based programing was simply not as effective as our global anti-hunger work. Despite the challenges of working in impoverished developing countries, we were winning the fight against hunger overseas. In the U.S., with its thriving economic and government infrastructure, this simply was not the case. The difference? Internationally, Feed the Children and many nonprofits work *collaboratively* on addressing the root causes of hunger. Domestically, far too often, our hunger initiatives operate independently from (or, worse, at odds with) other like-minded government and nonprofit entities. Both then and now, the social sector in the U.S. remains focused on the isolated interventions of individual organizations to solve complex problems.[1] Armed with this understanding, Feed the Children launched a new phase of collaborative, partner-based programing in the U.S.

As an organization, Feed the Children recognizes that evidence points to the need for broad, cross-sectoral coordination to bring about systemic social change. We fight hunger through integrated, child-focused community development. We combine our resources with existing community assets to teach parents and family leaders new skills, improve livelihoods, encourage savings, improve environments and infrastructures, and promote behavior change. Recognizing the imperative of grassroots leadership, we strengthen the abilities for families and communities to stand on their own, fostering sustainable change.

Globally, we are calling upon innovative and effective tools and methods that are constantly emerging through the collaborative work of a wide set of stakeholders: nonprofits, local communities, academic institutions, businesses, and governments. And the results are impressive. ***Globally, both child deaths and absolute poverty have decreased by ½ since 1990, accompanied by many other improvements in food security and nutrition.*** A parallel innovation and progress can be unleashed in the United States if we can learn from these lessons. In the U.S., we can decrease childhood poverty and deaths, and simultaneously increase food security and nutrition through an active effort to promote collaboration and by focusing on innovation, measurement, and a continuous improvement in methods.

The U.S. requires a strong safety net for poor children and their families. As an organization, we firmly uphold the value and role of SNAP and other Federal nutrition programs. However, as we reach the 50th anniversary of America declaring a War on Poverty, we believe that our national strategy for fighting hunger must be broadened and made more inclusive so that fewer Americans will *require* that safety net. We are eager to work with you to support the independence and vitality of these communities and families.

Feed the Children applauds the Congress for strengthening SNAP in the 2014 Farm Bill and for investing in new, innovative demonstration projects on both childhood hunger and SNAP employment and training. The topic of this hearing is timely and we recommend the U.S. government improve multi-sector collaboration as an avenue to move SNAP participants beyond the safety net. We support this sentiment and agree that, to effectively bolster SNAP, we must move beyond the question of simply adding funds or cutting dollars. As a part of this hearing, Feed the Children recommends strengthening programs and interventions that will sustainably support current SNAP participants and the overall program.

The Current Role of Nonprofits

Learning from our successes and failures in the U.S. and around the world, Feed the Children is focused on championing partnership and innovation, working with and through trusted grassroots organizations. With our partners, we offer the Federal Government an opportunity to strengthen our collective response to food insecurity by further incentivizing anti-hunger stakeholders to *collaboratively* end hunger.

Feed the Children's program staff in Oklahoma City, New York City, and New Orleans are deeply and thoughtfully engaged with local communities and are pioneering integrated approaches to ending child hunger. We use innovative and evidence-based ways to improve Americans' nutrition and food security. For example, as humans, many of our beliefs about what is good or acceptable to eat are patterned and fixed in the first years of our lives.[2] Humans naturally form their diets

---

[1] Kania, John and Kramer, Mark. (2011) *Collective Impact.* Stanford Social Innovation Review. *http://www.ssireview.org/articles/entry/collective_impact.*

[2] Smith, T. (2004) *The McDonald's Equilibrium: Advertising, Empty Calories, and the Endogenous Determination of Dietary Preferences.* Department of Economics, University of California,

Continued

based on what foods are more familiar to them.[3] Consequently, identifying ways to improve what children's perceptions of healthy food are, and their approach to nutritious meals is critical to changing what Americans eat. For that reason, Feed the Children uses a peer educator model that has spread to 28 countries around the world—Care Groups—to reach parents of very young children in our New Orleans Food and Education Oasis Project. This innovative model has been shown to double the nutrition behavior change of other program models at very low cost.

In our home State of Oklahoma, Feed the Children is pioneering an innovative way to increase access to healthier food options for families in rural areas. In partnership with the Chickasaw Nation and through a USDA demonstration project, we are leveraging our organization's strong logistical capabilities to better serve families in rural Oklahoma that struggle with healthy food access. A report from USDA's Economic Research Service[4] found that giving SNAP beneficiaries the option to preorder groceries by telephone or online could improve their food choices. Using this evidence, our program will allow families to use their EBT cards to grocery shop online and have their meals delivered through the U.S. Postal Service. This partnership is the first of its kind for both the Chickasaw Nation and Feed the Children. It has fostered programmatic collaboration outside of our own respective organizations to improve how SNAP dollars are used to ensure healthier meals. This partnership would not be possible without the strong, bipartisan support of the Congress in authorizing the Demonstration Project to End Childhood Hunger. In addition to improving families' nutrition, by funding this demonstration project, the government has helped Feed the Children and the Chickasaw Nation deepen our collaboration *outside* of the grant. For example, using private funding, we are now collaborating with the Chickasaw Nation to improve their nutrition programs by conducting formative research on The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), SNAP education, Summer EBT, and farmers' markets.

Feed the Children is also striving to foster stronger collaboration within the nonprofit, academic, and government sectors. We have learned the value of identifying "bright spots" and are committed to helping scale-up those best practices and program models. We launched the Center for Children and Social Engagement to help our own organization, other nonprofits, and academic institutions engage in more knowledge sharing and collaboration to *laterally* scale-up—organization to organization—cost-effective, innovative program models that improve child nutrition and food security.

Additionally, Feed the Children is an active member of Mission Measurement, which brings the power of data science to social impact, enabling decision makers to maximize their return on investment. We are also part of the Clinton Global Initiative, which is formulating collective commitments to the U.S. Food Insecurity Call to Action for child, adolescent, and youth hunger, and healthy food access issues. We are working closely with a range of nonprofit and private sector partners to improve our collective strategy advancing efforts to increase participation in "out of school time" feeding programs and increase access to healthy and fresh food options in under-served communities. These represent prime examples of how nonprofits are striving to leverage their community resources to strengthen and support Federal nutrition programs, like SNAP and the Summer Food Service Program (SFSP). Despite these gains, we can only do so much to promote collaboration across sectors with our private resources, and we encourage the U.S. Government to do more to incentivize coordination among nonprofits, academic institutions, and government agencies.

When addressing the issue of food insecurity, nonprofits often focus on providing short-term, *palliative* responses to hunger rather than dealing with the underlying causes. Many times, the nonprofit sector presents emotional appeals to the public around acute needs that generate funds. This approach can be successful, but makes it difficult for funding agencies to support innovative hunger-*prevention* work. The system tends to reward organizational individualism rather than collaboration. As a result, nonprofits working on hunger issues often view themselves as competitors rather than partners in the fight against child hunger. Viewing peer organizations as competitors hinders the broad, cross-sectoral collaboration needed for social

---

Santa Barbara. Smith T. and Tasnadi A. (2007) *A Theory of Natural Addiction.* GAMES AND ECONOMIC BEHAVIOR. *http://ssrn.com/abstract=979192.*

[3] Smith, Trenton, and A. Tasnadi. (2007) "A Theory of Natural Addiction." GAMES AND ECONOMIC BEHAVIOR. Available at SSRN: *http://ssrn.com/abstract=979192.*

[4] Just D., Mancino L. and Wansink B. (2007). *Could Behavioral Economics Help Improve Diet Quality for Nutrition Assistance Program Participants?* USDA, Economic Research Service, Economic Research Report No. 43.

change. Nonprofits, academic institutions, local communities, and government agencies need stronger government incentives to coordinate their efforts. We commend the House Agriculture Committee for pulling together a few of our partners to have a more intentional conversation on the role of nonprofits in addressing hunger. It is our hope that the following recommendations will present an opportunity to formalize our collaboration.

The Role of Feed the Children

An estimated 49 million households struggle with the volatile nature of food insecurity. These individuals and their families need initiatives that simultaneously support and prevent them from needing a long-term safety net. What they need is a reliable, short-term, and cost-effective safety net, and ongoing programs that help them recover from situational adversity so they can move *off* the safety net as quickly as possible.

In our 36 years of fighting hunger, Feed the Children has learned that nonprofits, government agencies, and other anti-hunger stakeholders cannot continue to address this problem in our respective silos. Deeper collaboration among anti-hunger stakeholders will yield innovative, more effective, and sustainable program models. The Federal Government has the unique ability to serve as the organizing infrastructure to incentivize a transformative, collective approach to end hunger. Feed the Children seeks to collaborate with others to identify what is working, foster stronger innovation and collaboration among anti-hunger stakeholders, and to collectively define what it means to have impact on food security and nutrition. This partnership needs to be formalized at the national level since no one organization can do it alone.

Each of the following recommendations seeks to establish mechanisms that foster innovation, collaboration, and improved measurement of results and impact in order to ultimately decrease the number of individuals who need the Federal safety net; improve food security and nutrition; and make the safety net more cost-effective.

Recommendation 1: The Food Security and Nutrition Social Innovation Fund

Feed the Children recommends that Congress use existing resources to formalize its work with the nonprofit community and academic institutions to establish a Food Security and Nutrition Social Innovation Fund. The purpose of this Social Innovation Fund will be to promote collaboration among nonprofits, community leaders, faith groups, academics, and the government. Such collaboration would seek to create, identify, and scale-up program models and policies that decrease the number of people who need the safety net, not just improve it. Creation of an inclusive, national, implementer-driven network of anti-hunger practitioners—a "community of practice"—would allow them to:

- better understand what each organization (and agency) is doing in a given geographical area and foster coordination of efforts;
- learn how to conduct formative research that can improve program outcomes;
- disseminate and integrate research findings and best practices into program activities;
- learn to accurately monitor and evaluate in order to identify what is working best (and not working), and collect and analyze evidence;
- challenge old, ineffective, and wasteful program models;
- create tools (*e.g.,* training manuals, videos) that are helpful in laterally scaling up the best program models and approaches (across organizations and states); and
- build consensus and skills in program planning, design, and implementation.

The *Food Security and Nutrition Social Innovation Fund* will be principally used for **innovation grants** that are administered to a consortia of nonprofits, academic institutions, community-based organizations, and other food security practitioners (*e.g.,* social enterprises). Such grants would require organizations to apply and work together (rather than to single organizations) to document their innovative work, test ideas, and scale-up successful programs from organization to organization. Grants from the fund would enable organizations to:

- create training manuals and conduct trainings for practitioners on innovative food security and nutrition program models (*e.g.,* the Liberty's Kitchen[5] social enterprise model) and tools (*e.g.,* Barrier Analysis[6] for formative research);
- improve measurement of their work;
- conduct demonstration projects to test scale-up of promising ideas (see below), strengthen and improve SNAP and other Federal nutrition programs for specific populations; and
- foster project partnerships (*e.g.,* through planning grants) with universities, faith groups, and municipalities.

Feed the Children estimates that the initial investment needed to establish the *Food Security and Nutrition Social Innovation* would be roughly $370 million of overall annual funding, which includes $333 million for the innovation grants and $37 million to maintain a national community of practice (network), including development and maintenance of an online repository of anti-hunger tools and methods; listservs; working groups; face-to-face and online meetings; and practitioner training.

Many nonprofits and academic institutions welcome the opportunity to further collaborate on programs and knowledge sharing, but lack the resources to bring together the group required to implement these plans. Because the *Food Security and Nutrition Social Innovation Fund* will be driven by a diverse group of stakeholders, it will allow practitioners to break down the silos that have historically prevented a review of the cross-sectoral issues that define hunger. Leveraging the various skill sets from community leaders, nonprofits, academics, churches, and governments will allow us to creatively collaborate on solutions that move beyond increasing access to direct services and emergency response to more integrated community development.

This community of practice would be able to help identify best practices and scale up work in improving access to—and production of—healthy foods in low-income areas (urban and rural); improving child nutrition; dealing with mental health and trauma issues that often underpin food insecurity; and getting people receiving government nutrition assistance back to work—into better paying, high quality jobs. It will also allow collaborators to strengthen interactions between government, nonprofits, and SNAP participants, while identifying innovative solutions to such challenges as employment training, retention, re-certification, and caseload turnover.

Where This Collaborative Model Has Worked

Feed the Children has witnessed this collaborative model work in breaking down silos and generating life-saving solutions in the field of *international* food security and nutrition. The manner in which the U.S. government facilitated and incentivized collaboration and program improvement among organizations, academic institutions, and government agencies working on international food security and nutrition could be replicated to improve *domestic* food security and nutrition.

For example, the Food Security and Nutrition Network[7] was created through a USAID Food for Peace grant to Save the Children and four other organizations in the TOPS Project to improve food security and nutrition in developing countries. The network now has 210 member organizations that work closely to produce training manuals, create new tools (*e.g.,* for assessment and formative research), test new program models, and improve members' knowledge and skillsets. The network holds regular online and face-to-face meetings of food security implementers, maintains a website and online repository of resources, organizes working groups, and makes innovation grants available to members of the network. As a result, the network has considerably improved the scale-up of food security and nutrition models and tools through peer-to-peer adoption.

A second example is the CORE Group's Child Health Network.[8] The Child Health Network was created with funding from USAID's Child Survival and Health Grants Program. This network now has 70+ member and associate nonprofit and academic organizations working together with government agencies to reduce child deaths. Many of the same strategies used in the FSN Network (*e.g.,* working groups, innovation grants) are used in the Child Health Network.

---

[5] See *http://libertyskitchen.org*.

[6] Kittle, Bonnie. (2013) *A Practical Guide to Conducting a Barrier Analysis.* New York, NY: Helen Keller International. *http://www.coregroup.org/storage/barrier/Practical_Guide_to_Conducting_a_Barrier_Analysis_Oct_2013.pdf*.

[7] See *www.fsnnetwork.org*.

[8] See *www.coregroup.org*.

Additionally, to fund communities of practice (network groups), the Federal Government can also help foster better collaboration among domestic anti-hunger actors through the structure of grant funding (*e.g.,* creating RFAs that encourage multi-organization consortia to respond rather than single organizations). Federal funds that support collaboration among multi-sector stakeholders allows nonprofits to play the role of social innovator or solution tester to identify those programs that can be reasonably scaled up and have a measurable impact in communities of need. Formation of a thriving community of practice and better structuring of grants (*e.g.,* for demonstration projects) will lead to better, faster development, and scale-up of more cost-effective program models that can help defeat hunger.

Recommendation 2: Demonstration Projects

Feed the Children recommends that Congress focus funding for nonprofits working collaboratively on demonstration projects that test new, innovative approaches to improving food security and nutrition, and in administering Federal nutrition programs. To this end, Congress should continue to dedicate funding for nonprofits implementing targeted demonstration projects, and ensure USDA implements these and other Federal food security and nutrition programs with reasonable and effective program rules and requirements. Currently, a majority of promising Federal grants are primarily run through state agencies that can be ineffective and overly bureaucratic.

Exemplifying the benefit of this type of funding, two significant demonstration projects by USDA were recently rolled out: The Demonstration Projects to End Childhood Hunger,[9] and the SNAP Employment and Training Pilots,[10] which were conducted in ten states to help SNAP participants to find jobs and work toward self-sufficiency. These two opportunities help foster the sort of collaboration we recommend on a larger scale. Feed the Children applauds the Congress for making such investments and creating platforms to improve Federal nutrition programs like SNAP. While these opportunities represent laudable support for innovative approaches to improving nutrition and food security, there must be increased focus on fostering innovation. Additionally, without the presence of a community of practice, demonstration projects will not do enough to stimulate innovation. By encouraging lateral scale-up of program models and tools through a larger share of these government funds, more organizations will adopt ways of fighting hunger in their privately funded programs.

Currently, funds for these sorts of demonstration projects are typically channeled through state agencies. Implementation of these promising projects should directly focus on nonprofits, academic institutions, and community organizations. Working collaboratively with the government, nonprofits will be able to leverage significant private resources, and broad participation from community and academic organizations to make a real impact on food security and nutrition challenges. Demonstration projects and other Federal USDA grant opportunities should be designed in a way that creates pathways for resources to the groups serving local communities and have low barriers to entry for small- and medium-sized nonprofits. Such organizations are severely limited in how they can partner with the Federal Government. The nonprofit sector is a vital partner of the government, and yet there are several Federal USDA grants that are difficult, if not impossible, for nonprofits to access.

Recommendation 3: Measurement and Impact

To sustainably relieve people of being "beneficiaries" of government and nonprofit assistance, *Feed the Children recommends the Congress require results and impact measurement of programs using food security and nutrition indicators that assess which programs are having the most impact on food insecurity and nutrition.*

Ronald Reagan believed that every problem in America has been solved somewhere in America and that the job of the Federal Government is to replicate success. This is true in the category of food security. Functional, effective anti-hunger programs already exist. Feed the Children and our partners offer several examples of how we can fight hunger through grassroots initiatives. The Federal Government can support nonprofits to study success, measure success, and replicate success.

Feed the Children recently launched its Center for Children and Social Engagement initiative based in New York City. The Center for Children is tasked with identifying domestic and international programs that foster and measure innovation around child nutrition and food security. For example, in New Orleans, Liberty's Kitchen is a social enterprise dedicated to transforming the lives of vulnerable youth. Liberty's Kitchen provides a path to bright and healthy futures through em-

[9] See *http://www.fns.usda.gov/demonstration-projects-end-childhood-hunger*.
[10] See *http://www.fns.usda.gov/2014-snap-e-t-pilots*.

ployability and life skills training and by providing freshly prepared, nutritious meals to schoolchildren. Though relatively small, Liberty's Kitchen staff is prioritizing strong investments in measurement and impact, while intentionally sharing their model, success, and failures with other groups around the U.S. The Center for Children will continue to work with Liberty's Kitchen to better understand this program's success and capture its best practices to be replicated around the country. This local, community model leverages existing community assets and the Federal safety net to deploy unique programs around job skills training and nutrition education to ultimately empower youth to flourish mentally, economically, and physically. Building on this success, we encourage the Federal Government to support this type of measurement and impact by incentivizing more nonprofits to better measure programs to improve food security and nutrition.

More Federal grant applications should require measurement of a key, consistent set of food security and nutrition indicators to better assess which food security and nutrition program models are having the most impact. This requirement to measure key indicators has been one way that the U.S. Government has stimulated competition amongst international nonprofits and other agencies to continuously improve their methods for improving food security and nutrition, and to increase accountability, and to have a common understanding of what constitutes progress.

Additionally, Feed the Children recommends the Congress make changes to how Federal programs are measured by taking into account food security and nutrition services enabled by Federal investments but paid for with private funds. This approach will further strengthen the role of nonprofits and encourage stronger and more effective public private partnerships. The USDA can develop a list of required indicators for measurement of programs receiving funds from the *Food Security and Nutrition Social Innovation Fund* that will be used in programs and reported to the Congress. This will focus innovation on interventions that move the needle around the focus areas. For example, depending on the type of funded program, demonstrative indicators that would be measured before and after projects would include the:

- proportion of children and adolescents who consume fruits and vegetables five or more times per day and who meet physical activity guidelines;
- proportion of children 6–13 years with a normal BMI; and
- percentage reduction in people qualifying for SNAP in a given low-income Census tract.

Conclusion

Feed the Children stands ready to collaborate with the Federal Government in fostering innovation, collaboration, and improved measurement. The 50th anniversary of America declaring a War on Poverty has come and gone. Poverty still plagues our nation and will continue to do so unless nonprofits, academics, community leaders, faith groups, and governments collaborate to their full potential.

As a nation, our success in combating hunger will hinge on the quality of our interventions, the strength of our relationships with grassroots organizations, our unique ability to bring together a nexus of public and private partners to fight hunger, and strategic policy decisions and investment from the U.S. government. Through collaboration and strategic policy reform, we can end hunger in America.

The CHAIRMAN. Well, thank you. I thank all of our witnesses for sharing with us today. First off, you all finished within the 5 minute timeframe, each one of you. That is spectacular. But thank you for being here today and getting us off to a great start on a conversation about a tough topic.

The chair will remind Members that they will be recognized for questioning in order of seniority for the Members who were here at the start of the hearing. After that Members will be recognized in order of arrival, and I appreciate Members' understanding that. And I recognize myself for 5 minutes.

Ms. Green-Patton, thank you for being here today and coming to D.C. to share your very inspirational story. I loved your line about a trampoline rather than a safety net——

Ms. GREEN-PATTON. Yes.

The CHAIRMAN.—and for sharing with us how the temporary program weaved its way in and out of your life and helped you get to

where you are today. Can you talk to us a little bit more about why you continue to stay involved in the Community Kitchens and you mentioned a little bit about paying it forward, but can you flesh that out a little bit in a couple of minutes?

Ms. GREEN-PATTON. Yes. I received so much from the Greater Chicago Food Depository. It was more than just here is a fish. Eat it. It was let me show you how to fish. Let me show you how to cook it. Let me show you how to purchase it. Let me show you how to share it. And so I can't help but to give back to what they have given to me.

The program, the Chicago's Community Kitchens, is a free program for us. They give us everything that we need to be successful in the culinary field and even outside the culinary field. And so I feel like I just owe, I owe them back. I am just so grateful for everything that they have done for me, the mentorship, the resources. They have never left me alone. And I came out of this program over 10 years ago.

The CHAIRMAN. Well, thank you again for being here this morning and sharing that with us. Mr. Kunz, you used the word *Navigator* for your folks that you work as well. That term got a little tainted with the Obamacare navigators. Are they the same people? Are they different folks just using the same name or what is the link between those two?

Mr. KUNZ. Chairman Conaway, they are not necessarily the same people. While it is certainly possible that somebody could be doing both——

The CHAIRMAN. Okay.

Mr. KUNZ.—our Navigator program is in no way associated with the healthcare plan.

The CHAIRMAN. I got you. Mr. Kunz, can you talk to us about your comments about the state winning with fewer errors, less overhead, and an engagement of a group of folks who look not just at hunger in that narrow vision but they are looking at the needs of the entire person sitting in front of them as they go through that and how that may improve the process, first is with someone who is talking to them just about the nutrition needs.

Mr. KUNZ. Certainly. That is a great question. It is a complex question. I want to make sure I get to every part of it.

First, on the state efficiency side, as I mentioned, Texas is big. I mean, it is really big. It is 269,000 miles^2, and we have about 5.3 million Texans that are eligible for SNAP. And so to have offices everywhere is incredibly difficult for HHSC. What the initial savings obviously is just that the partners are in so many locations. Having almost 1,200 partners means that we don't need HHSC locations all over the place.

As far as the applications themselves, applications that are performed by individuals tend to have more errors. Member applications have a particular program jargon that navigators are able to assist and kind of explain. So we see fewer applications, and the process of kicking back applications to be corrected and then having them forwarded back and forth, that process is a lot quicker and saves a lot of time for the state and for the individual.

As far as the way that churches and nonprofits in the area are able to see beyond just the benefits programs that are available, for

instance, at the congregation that I am a part of, we have a whole set of resources and set of ways that we address hunger and poverty in our community. And so some of those things include things like food pantries and other food assistance, food recovery and soup kitchens, that kind of thing, but also access to other resources in the area. We have a great relationship with other nonprofits in the area that are able to address many of these needs. And so whereas for a state office, I think that benefits are kind of the goal of that office. When an individual goes to a nonprofit or a congregation, they are able to see a whole wealth of options, a whole wealth of needs and able to see a person, not an application. And that puts things into perspective of the entire continuum.

The CHAIRMAN. All right. Thank you, Mr. Webb. I am curious on measuring things. Ms. Maehr a while ago mentioned millions of pounds of food. That doesn't translate into meaningful information other than it is just a lot. Can you talk to us a little bit about the matrix that you are using that you see that do work that is beyond just the pounds or the dollars that are spent?

Mr. WEBB. Thank you, Mr. Chairman. Domestically, we are working on a solution to that with the USDA trying to identify ways to better track how we are moving people out of their current situations. Internationally, the work that we are doing demonstrates an understanding that hunger as I mentioned in my testimony has several layers around poverty, employment, education, and health. So some of the things that we track overseas are things like stunting and livelihood developments, how many people are able to get jobs.

Those type of things are ways to track and understand how people are moving out of their current situation. We realize that while providing food and millions of pounds of food is essential, it doesn't necessarily tell us the story about whether or not we are moving people from one place to the next. So that is what we are working on now.

The CHAIRMAN. All right. Thank you very much. Again, I thank the panel. The Ranking Member, 5 minutes.

Mr. PETERSON. Thank you, Mr. Chairman. Colleen Moriarty with the Hunger Free Minnesota says that food banks need more food, especially high quality, fresh produce. One of their initiatives is to promote working with farmers directly on limiting waste through ag surplus initiatives. In addition, Feeding America is advocating an expansion of Federal tax credits for farmers who donate food. Some states, like Iowa, already do this, but there is no national tax credit.

Ms. Maehr, in Minnesota, food banks have been able to stock their shelves with food from a variety of state-based manufacturers like Cargill and General Mills along with grocery chains. But there seems to be an obvious role for farmers to help stock food banks' shelves by donating their surplus. Have you had any experience working directly with farmers to encourage them to give otherwise wasted commodities to your food bank? And is there anything Congress can do to help simplify the relationship between farmers and food banks? Also, what can you tell me about the tax credits that are currently available to farmers who donate their products?

Ms. MAEHR. Thank you so much for the question. I will tell you first of all that my colleagues in the State of Minnesota are amazing, and we try every day to be more like them in Illinois and all across this country. We do have strong partnerships with farmers in the State of Illinois, but it is a challenge and it is one that all of the food banks in this country are really working towards. Frankly that is why the food donation tax credit is so important to food banks in this country because there are farmers that are our partners in this work. They see the face of hunger in their own communities. They want to be a part of the response, but when it costs them more to donate than it does to not harvest or take that food to a landfill, it doesn't make business sense for them.

Food banks today appreciate and frankly all of us are striving to distribute more fresh produce. In the case of my own food bank, of the 67 million pounds of food that we distributed last year, 34 percent was fresh fruits and vegetables. Farmers, the agriculture community, they are our partners in this work, but we need a food donation tax credit that provides them with the same support that the food industry gets so that together we can make sure that there is fresh, quality food available for all of the people turning to food banks in this country.

Mr. PETERSON. I assume that you probably take a deduction for donation, in-kind donation, which you can do for a lot of different things. I assume you can probably do that now. But you are talking about a tax credit. Is there actually a bill or are there specific proposals?

Ms. MAEHR. The food donation tax credit currently is not positioned in a way that most farmers in this country can take advantage of.

Mr. PETERSON. They would have to do it on their personal return probably. But the tax credit, is there an actual proposal, a bill that has been introduced on this tax credit?

Ms. MAEHR. This is the deduction that was passed by the House, and we are hoping that your colleagues in the Senate will do the right thing.

Mr. PETERSON. So there is a tax credit bill that passed the House?

Ms. MAEHR. It was the America Gives More Act.

Mr. PETERSON. What is the tax credit? How is it structured?

Ms. MAEHR. It is the tax deduction, sorry.

Mr. PETERSON. It is a deduction?

Ms. MAEHR. Yes.

Mr. PETERSON. Off of their Schedule F?

Ms. MAEHR. One moment, please.

Mr. PETERSON. Us CPAs, we tend to get into those details.

Ms. MAEHR. No, I appreciate that. To be honest, I am fortunate to be a part of a great network of Feeding America, and I have my colleague here who can give me the details on that. But I can't answer that at the moment.

Mr. PETERSON. All right. Well, I will check into it. I just was curious about how it was structured. So thank you, Mr. Chairman. I yield back.

The CHAIRMAN. The gentleman yields back. Mr. Neugebauer from Texas, 5 minutes.

Mr. NEUGEBAUER. Thank you. Mr. Chairman, thanks for holding this hearing, and I want to thank our panelists. It is nice to have some folks from organizations other than the Federal Government talking about how we address hunger in this country and also make sure we have an efficient delivery system.

Mr. Kunz and Ms. Ender, the State of Texas being in a Community Partner Program, what have been some of the challenges of initiating that program?

Mr. KUNZ. Thank you. Some of the challenges with initiating the program with the start-up, we had a lot of advertising to do in some sense, letting nonprofits know what is out there, letting the nonprofits know how to participate and what participation means. And in many cases, nonprofits have very limited resources, and that has presented an initial challenge. That is one that we have been working with nonprofits and with the government to find ways to kind of overcome some of those things.

I think one of the initial challenges that we faced is just technology. Many nonprofits are behind technologically. One of the benefits of Community Partner Program though we are able to leverage the collective technology, expertise, and resources of several nonprofits and congregations in many places against the lack of technology and experience in technology in many of the individual homes of applicants.

Ms. Ender, would you like to speak to some of the specifics?

Ms. ENDER. For our agency, it was just being trained in the application and how to use the online application, to feel comfortable with that, to be able to work with clients. And frankly, our social workers, if they were here today, they would say that this has really been a wonderful experience for them because they want to help people. And before we became a Community Partner and they had the training and the support help to call on when they need it. They were having to refer people. They took a holistic approach, and they were looking at all the need, but they are having to send them elsewhere to do the application. So it has been wonderful in that respect but there was a ramping up that had to happen.

Mr. NEUGEBAUER. One of the issues that Mr. Kunz talked about Texas is a big state. I have a big district. Mike has a big district. And so when you leverage and use these partnerships, one of the concerns that I would have is what kind of oversight is the agency able to do to make sure that these agencies are all following the guidelines? Because one of the things that—it is not for a lack of people signing up for the food stamp program. I mean, one in seven Americans today are on the Food Stamp Program, and unfortunately, we think there are some people that are on the Food Stamp Program that maybe have not necessarily qualified to do that because of loopholes and so forth.

So what are you doing to make sure that our partners are following the guidelines to make sure that people that are actually getting on food stamps are actually qualified to do that?

Mr. KUNZ. Right. Thank you. Thank you for re-framing the question. I tend to not see challenges. I tend to see possible solutions, and this is one of the great things about the Community Partner Program is that the Health and Human Services Commission actually has a fairly reasonably rigorous process to become a Commu-

nity Partner. HHSC treats Community Partners essentially as subcontractors, and there is an MOU that is signed, despite the fact there is no financial relationship. And then these partners are—we track what is happening with the partners, applications they are filling out. Are there common errors and are there patterns? And if there are, HHSC follows up. The Health and Human Services Commission, along with Texas Hunger Imitative, has been doing site visits to each of these different partners. So we have at least offered and are in the process of making more site visits to all of them.

And so as we go through that process we want to make sure that they are displaying proper information, and equal opportunity information and that all of the legal sides are covered and that we are sharing information with everyone involved. We provide statistical reports to the partners, and we also are able to analyze those on our end to make sure that there aren't errors.

Regarding enforcement, the partner never has the opportunity or intention of determining eligibility or payment rates. That remains entirely with the Health and Human Services Commission and allows the government to do what the government does really well and the partner to do what it does well.

[The information referred to is located on p. 220.]

Mr. NEUGEBAUER. I see my time has expired, Mr. Chairman.

The CHAIRMAN. The gentleman yields back. Mr. Scott from Georgia, 5 minutes.

Mr. DAVID SCOTT of Georgia. Thank you very much, Mr. Chairman. First of all, I would like to kind of set the stage here properly. First of all, the food banks, charitable food giving, are wonderful and needed organizations. But there is absolutely no way they can take the place of SNAP. We all need to clear the air and get a good understanding of that fact.

The other fact is we cannot and we will not separate SNAP from the farm bill. We cannot do that anymore than we can separate wet from water. The food program is essential to the farm bill.

Now, why do I say this? This is because of some very serious structural inequities and dynamics in our country. Our world, we are five percent of the world's population. Yet we incarcerate 26 percent of the entire prison population in the world. There are some very serious implications of that. We have 2.2 million people in our prisons. They are parents, and ½ of those are forbidden to even get SNAP to take care of their children. Seventy percent of the children have a parent incarcerated. That is the number one structural dynamic.

The other? There are 1.2 million veterans with very special needs that even charities and food banks cannot deal with.

The reason I bring this up is so that we can be clear to know this fact. The food banks, food pantries, all of the organizations that you represent are wonderful supplements to this program, the SNAP program.

So, the dynamics of what we have to deal with here; I wanted to make those two points very, very clear. There is a lot we have to do.

August Wilson wrote a wonderful play on Broadway, and it was called *Two Trains Running*. We have to have two trains running

here, the SNAP Program and each of your programs. They have to complement one another. And if we view this this way, we can make great progress. But if we only want one train running, we will have train collision here.

So I wanted to ask a question, but it looks like my time is disappearing. I may have another shot coming around. But I did want to say that—this is serious, feeding the hungry people in this country but we have to understand the dynamics of what is really at the core of this problem. It can't be one or the other. It has to be two trains running.

Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. The gentleman yields back. Mrs. Walorski, the Chairwoman of the Subcommittee on Nutrition, is recognized for 5 minutes.

Mrs. WALORSKI. Thank you, Mr. Chairman. Keleigh, I am absolutely thrilled that you are here. This makes my entire week. We just came back on Monday from a 2 week break, and I am working just 2 hours from you, South Bend, Indiana, and we have the Northern Indiana Food Bank——

Ms. GREEN-PATTON. Yes.

Mrs. WALORSKI.—and I have been involved with many different programs there. They do a fantastic job, and I am thrilled that you are here.

Ms. GREEN-PATTON. Thank you.

Mrs. WALORSKI. I am thrilled that the rest of you are here, too, but we are all excited about Ms. Green-Patton. So I just wanted to ask you——

Ms. GREEN-PATTON. Yes.

Mrs. WALORSKI.—when you talked about—and I just, I am a believer. You know, everybody needs help some time.

Ms. GREEN-PATTON. Yes.

Mrs. WALORSKI. And you are such a strong testimony to that. So when you went back at that 10 year mark, what made the Community Kitchen, the Chicago Community Kitchen, different? Why were they able to help you in that 10 year mark as opposed to the other places you could look for help? What is it that made that whole thing work?

Ms. GREEN-PATTON. I believe what made it work is, again, the mentorship, the resources, and they never left me alone. A lot of places, they say here you go. There are the tools, but they don't follow through. And so I have kept a great relationship with them. They check in with me, see how I am doing, see how my family is doing. They provided resources such as job initiatives. Whenever employers like myself contact the Depository for applicants, they call and they reach out and they help you with your résumé. It was just so much more. It was almost like—it is like being a family.

Mrs. WALORSKI. Yes. And how large are the Community Kitchens? How many people go through?

Ms. GREEN-PATTON. Kate could answer that.

Ms. MAEHR. So since the program began in 1998, we have actually successfully graduated 1,200 people from the program, and we are very proud of the fact that in the last year alone 90 percent of the graduates have jobs.

Mrs. WALORSKI. That is awesome. That is so great. We will be in touch from the neighbor State of Indiana up there. But thank you so much for what you are talking about today.

And Mr. Webb, I wanted to also thank you for being here. And we have worked with you really on both sides. When I was involved in feeding people in Eastern Europe and international food organizations, we obviously knew very much about Feed the Children and you are in my district as well——

Mr. WEBB. Yes, thank you.

Mrs. WALORSKI.—in Elkhart, Indiana. I appreciate you being here as well. But you guys had visited my office not too long ago, some of your colleagues, talking about actually talking to the USDA and being contacted by the USDA to say, "Hey. You are the professional food feeders. Can you come in here and just kind of talk about standards, efficiency, ways to streamline." And you mentioned how sometimes it is easier to do this in other countries than here. Can you talk about that and elaborate on what are some of the obstacles here? And you mentioned the one fund that, potentially, could be used for that. But how do you see this issue of being able to come in, even as just a third-party advisor to a gigantic organization like the USDA and say, "Hey, here is what best practices we use here," and that kind of thing?

Mr. WEBB. Thank for the question, Congresswoman. So one of the approaches that we have is that, again, from the international perspective, we see that there are multiple layers to the issue. So we have developed this relationship with USDA where we bring to them programming from the international community that has yielded results there that we think can be best practices here. One example of that is a care group model that we have internally, and what that does is that it looks to promote health in communities by first taking the approach that there are existing assets in those communities already and rather than us coming from Oklahoma City to Malawi or to Tanzania or to any community in the United States, that we need to understand the dynamics of what is taking place in the community. So we conduct formative research. We understand what the health indicators are in those communities. We identify what the barriers might be to better health, to accessing programs, and we try to understand who is overcoming those barriers and how. Then we build out a curriculum with the community, and we enlist a team of volunteers to educate the community on what we are doing. So there has been a local buy-in, and we have seen some improvement in those areas, and programs like that are very attractive to the USDA because of the community presence and because of the fact that we are leveraging those existing assets.

Mrs. WALORSKI. Let me ask you just one—we are going to be out of time here, but if this Committee could do one thing, just one, if there was one thing we could do that would allow you to better connect with our program as it is right now, what would you suggest or what would one issue be that we could help?

Mr. WEBB. We really believe that innovation funding that would allow organizations to work more collaboratively together would be the solution. To address your question and Congressman Scott's question, in New Orleans and other food deserts, we are looking to

build social enterprises that provide food access, like a grocery store, and parts of their social service elements around those grocery stores that address education—the care group model I just described——

Mrs. WALORSKI. Sure.

Mr. WEBB.—provide health. But the issue is trying to get things off the ground takes resources. I mean, private funding doesn't always get us to the point we can make that successful.

Mrs. WALORSKI. Got you. I appreciate it. Thanks, Mr. Chairman.

The CHAIRMAN. The gentlelady's time has expired. I recognize Mr. McGovern, from Massachusetts, the Ranking Member on the Nutrition Subcommittee.

Mr. MCGOVERN. Thank you, Mr. Chairman, and thank you all for being here, and thank you for your incredible work. And Ms. Green-Patton, I too was thrilled to have you here because you are a success story. But it also illustrates how a lot of our food banks and a lot of our charities have become very innovative. It is not just about giving food. It is about worker training. It is about getting people in the community back on their feet. We have a great example right here in Washington, D.C. D.C. Central Kitchen has a culinary training program as well that has placed people in great jobs and given people hope for the future. I think it is great to have you here.

Everybody on the panel, I appreciate the work that you are doing, and that you have made it clear. And I want to build on what Mr. Scott was talking about and that is basically the message that is loud and clear is that churches and charities cannot do it on their own. To put it in perspective, I have a FAQ sheet here from Bread for the World, these are 2013 figures so it is probably a little bit different in 2015. But it says the Federal assistance for food and nutrition programs, it was at about $102 billion. Assistance from churches and charities was at $5.2 billion. There is a huge gap there. So when people say, "Oh, we can afford to cut SNAP, and the charities and the churches and the synagogues will all pick it up," that is just not accurate.

And I want to be clear. Nobody here is arguing that we should cut SNAP, am I correct? Mr. Webb, just to be clear, when you are talking about your innovation funding, you are not talking about taking that money from SNAP——

Mr. WEBB. We are not.

Mr. MCGOVERN.—and putting it into innovation funding programs, robbing Peter to pay Paul?

Mr. WEBB. We are not.

Mr. MCGOVERN. Everybody likes to get up and talk about how wonderful all you guys are, but then, what we have seen over the last few years, is Congress has shirked its responsibility. In the last few years we have cut the program by something like $19 billion. We didn't renew the ARRA monies, the Recovery Act monies, and then there was another cut in the farm bill. But every single person on the benefit received a cut.

Can you explain to us, anybody here, those cuts that came in the last 3 years, how have they impacted your clients and the work that you do?

Ms. MAEHR. I can answer. We saw more people showing up at food pantries. The lines got longer, and the challenge is that the lines already were long. And to your point, what we do, the amazing food banks and food pantries and soup kitchens in this country, we are incredible. I am the biggest advocate of the work that we do. So it is hard for me to stand up here. I wish we could do it all, but we can't. And my job is to be honest about what I see in my community and what I see in this country. And what I see are amazing charities that make miracles happen in every neighborhood, in every county, in every state in this country. They do it with volunteers who are working or not working but who come every day and make magic happen in their communities. But we cannot replace programs like SNAP.

Mr. MCGOVERN. And Mr. Neugebauer was concerned about people getting on the benefit who don't deserve to be on the benefit. I am concerned because I hear this when I am back home in Massachusetts about the people who should be on the benefit that are not on the benefit. So between what the Federal Government provides and what charities provide, there is still a gap. There are people we are not reaching. Does anyone want to comment on that?

Mr. WEBB. I would like to comment on that, and going back to your original point, your first question also, Feed the Children does not have the capacity to be like the Chicago Food Depository and the food banks where we offer food on a daily basis. But we do have truck drops that we call them where we go into communities and we provide truckloads of food——

Mr. MCGOVERN. Right.

Mr. WEBB.—from time to time. When we have these events, there are lines of people, 300, 400 people each time, where we have to cut people off because of the resources that we have, that are available. And at those events, we have opportunities for people to sign up for SNAP because, again, some of the people standing in line for food——

Mr. MCGOVERN. Right.

Mr. WEBB.—don't realize that they are able to receive those resources.

So part of our process is to have SNAP, the ability for people to sign up for SNAP when they come to these events. So there are people who receive food but don't know they can also get SNAP benefits.

Mr. MCGOVERN. We are the richest country in the history of the world, and we have tens of millions of people who are hungry. As a Member of Congress, I am ashamed of that fact. So I would say hunger is a political condition.

But one thing that I hope you might want to support me on is I am trying to get the White House to do a White House Conference on Food, Nutrition, and Hunger because to do these kinds of collaborative efforts that you are talking about, it is not just between USDA and the food banks and the charities. We need agencies in the U.S. Government to better coordinate. We need the nonprofits and the food banks to communicate better with each other in the field.

So it would seem to me that a White House Conference, bringing everybody in a room, locking the door and saying let's solve this

problem, would be a good thing to do. So thank you very much for your work.

The CHAIRMAN. The gentleman's time is yielded back. Mr. LaMalfa, for 5 minutes.

Mr. LAMALFA. Thank you, Mr. Chairman, and thank you to our panelists today. Very uplifting, the work you do firsthand and the networks that you have in your communities as well as reflect up in mine there in the cities in my district, our Jesus Centers, our Rescue Missions, soup kitchens, annual events and ongoing events that are really uplifting for everybody to be able to take part in and remind us of the need to have that private and public partnership to be effective.

Mr. Kunz, in your—earlier, forgive me. I was out of the room, multiple hearings, same time for a little while, but as I recall in your testimony you mentioned that the public challenges with food insecurity that are multi-jurisdictional, a lot of overlap in nature, and require a lot of collaboration between agencies as well as the volunteer organizations and others that are helping out. So with the Texas Hunger Initiative, you have been pretty successful there. That has been a good model. What made you pursue that model in Texas and what sort of results short term are you seeing with that the trending that you are seeing with that effort?

Mr. KUNZ. Thank you for the question. Texas Hunger Initiative, from our very inception, has seen that the local congregations and synagogues and mosques and nonprofits were able to see need that government agencies couldn't see. It is not the government agencies' role to see that need, but those local nonprofits didn't have the resources available to fund these types of programs. Maybe in some places they did, but in most places they did not.

Director Everett and his team really sought to combine both of those strengths and really look at the way that we could partner with the government from the very beginning. The Community Partner Program is only the latest incarnation of that. We have seen work with our child nutrition programs and the various other public-private partnerships that we are a part of.

Regarding the Community Partner Program, we have seen some preliminary results when we publish our annual evaluation on that. It is actually the property of the Health and Human Services Commission which, if they are open to sharing that with you, we can show you some of the short-term results. At the end of this year we will have our third semester. I am sorry, our third-year results, and long-term we tend to publish on that, to make those results as helpful to everyone else using or creating some version of this model.

One of our favorite pieces of what we do are things like that Dallas Coalition for Hunger Solution where we have stakeholders and players from government agencies and from all over Texas, nonprofits, educational institutions, schools, coming together to figure out how to address hunger and food insecurity as well as a wealth of other issues within those communities.

And so that is a really good example of a collaborative approach.

Mr. LAMALFA. Certainly. Okay. So the local input from people on the ground right there in those neighborhoods, in those syna-

gogues, in those churches is really valuable to have the more effective outreach and interaction?

Mr. KUNZ. Yes, not just outreach but also to come in and give a voice. They are reaching out, yes, to the community, but they are also able to take the information and advice and requests from community members, and we take those back to the Health and Human Services Commission.

Mr. LAMALFA. And execute on the need then?

Mr. KUNZ. Yes. Every 2 weeks our field staff are on a call working with Health and Human Services Commission sharing information back and forth to create some really neat structures and new opportunities.

Mr. LAMALFA. Interesting. Well, I find that is a pretty fairly common theme across the boundaries. Natural Resources Committee, local people that manage forests and try to fight forest fire are complaining they are not getting enough local input with Federal fire fighters or Federal Forest Service, outside entities that don't know how to do it locally. So it is interesting, that the local input is very important.

If other states were looking for a model on this, looking to Texas, what would you recommend be done differently to streamline, maybe help other states to emulate what you are trying to do there? Is there some speed bumps that you would advise them to go around?

Mr. KUNZ. Sure. One of the speed bumps for a lot of organizations is funding. It does require some kind of funding in order to get these partnerships off the ground in order to really do——

Mr. LAMALFA. Start-up funding? Not program but the start-up type funding?

Mr. KUNZ. Right. Instead of funding for the kind of thing that Texas Hunger Initiative does, we convene all these organizations, but that requires everything from staff to perform the function of a backbone organization, which is the specific collective impact term, to fund those backbone organizations to create these partnerships and honestly to pay for coffee at these meetings that keep people in the room and keep them working.

[The information referred to is located on p. 221.]

Mr. LAMALFA. Yes. All right. Well, my time is up. I yield back. Thank you.

Mr. KUNZ. Thank you.

The CHAIRMAN. The gentleman's time has expired. Mr. Ashford from Nebraska, 5 minutes.

Mr. ASHFORD. Thank you. I was on the Housing Authority, Omaha Housing Authority for quite a while.

Mr. ASHFORD. All the comments are great, and thank you all for coming. Mr. Webb's comments really ring true with me, and Mr. Scott's, David Scott's comments as well, about this fact and that is my sense is that we do have an obligation as Mr. Scott indicates to provide sustainable food for the people that need it in our country. Where we are blowing it is beyond that.

The same thing with housing. When I ran the Housing Authority, the challenge was yes, the Federal Government has a role, of course, in helping to provide affordable housing. It is a Federal program, 100 percent federally funded, and then from time to time we

would have our programs for self-sufficiency eliminated or cut. So your comments about the innovation grants really hits home.

I know in Omaha and in the 2nd Congressional District of Nebraska, we are very innovative and doing what you are doing in Texas. I am not going to claim better than Texas because that gets into a thing, but basically, we are working on developing urban farms, very aggressively doing that. We have a culinary institute at the Metropolitan Community College in our area that is second to none. And all this is starting to evolve. But as was the case at the Housing Authority, when we tried to encourage people to get off of the need for public housing, we were always stuck with the fact that the Federal program either wasn't funded properly or to your point, and more importantly, is that the states or the localities were not given the ability through these sort of innovation grants concept to help do it. And to the point that was made earlier, you can't do it. You are not going to be able to do everything by yourself through raising money through nonprofits.

So my questions is, and this has really struck a chord with me. Could you just comment a little further on how these innovation grants would work? I think you are spot on and it would make a huge difference.

Mr. WEBB. Yes. Thank you for the question. We believe the innovation grants would spur collaborating because the conversation needs to be expanded beyond just hunger because we need to understand that hunger is one of the issues, but there are underlying factors as well. So when we are looking at these solutions, it needs to be a broad-based approach to the solution that understands that poverty is a component, education is a component, employment is a component, and bringing these collaborative folks to the table to take their piece of the issue in a way that gives them flexibility to test new ideas is the approach that we are suggesting. And one of the things that we have seen in other agencies that have social innovation funding is it allows folks to contribute their own resources, whether that is financial, whether that is human capital, to come up with a solution. And as long as that barriers for entrance to participate in those invocation funds aren't cost prohibitive because a smaller organization that might have a fantastic idea might not have a million dollars to put to a one-to-one match, then we would see a lot more organizations that have the ability to get in there and——

Mr. ASHFORD. So it is more efficient use of those dollars.

Mr. WEBB. Exactly.

Mr. ASHFORD. And it seems to me it would be. At the Housing Authority we did urban farming. We did some of that, and this was a little bit ago. So it has come a long way in the last 10 years. But I absolutely agree with you. If the Federal Government through direct support can provide some of the basic needs, housing and food—you wanted to say something?

Ms. MAEHR. Well, if I may, there are some successes that we should celebrate. I believe the food banks and the——

Mr. ASHFORD. Oh, sure.

Ms. MAEHR.—agencies are the USDA's largest partner.

Mr. ASHFORD. Sure.

Ms. MAEHR. And I will tell you that there is actually a fair amount of innovation and partnership that happens every day in my own community. We regularly meet with representatives from USDA, and with other organizations. We regularly talk about what works, and we see that replicated. And, if there are opportunities to invest more deeply in hunger relief, I am certainly supportive of that. But I will tell you that if we can keep the Federal nutrition programs strong, then the dollars that we get from private donations can actually help us support those innovative efforts. But right now so many of us are having to buy additional food to ensure that people have food to eat as food programs such as SNAP goes through cuts. And so I would just say innovation is happening. There is always more that can happen, but there is a lot of awesome stuff that is happening in communities.

Mr. ASHFORD. I think there is—and my time is up—awesome stuff is happening. But I also agree with Mr. Webb that there is much more that should be done as well.

The CHAIRMAN. The gentleman's time has expired. Mr. Yoho for 5 minutes.

Mr. YOHO. Thank you, Mr. Chairman. I appreciate it. I appreciate your family being here. And Ms. Maehr, I appreciate your passion. When you are describing how the communities come out and the different organizations come out, that is what I see in our area. I represent Florida's 3rd Congressional District, large, rural, agricultural area with hubs of innovation around there. If I were to ask, Mr. Chairman, I don't know if this is acceptable, but if I were to ask in here how many people have ever been on food assistance or SNAP in this room, show your hands if you are not embarrassed to. I have, too. And a lot of people say, "Well, how could you have been on that? You are a U.S. Congressman." I was young once. I just turned 60. And I understand the importance of that, and I don't know anybody in the country, I don't care if they are the most conservative or the most liberal, that is not willing to help somebody in need. And so these programs, when we see the communities coming together, solving a problem locally, that is the best solution we can have, and we need to bolster that with the charitable contributions and things like that and allow people to do that. And the more government interferes and takes that away, it would be a lot worse.

In our area we visited several food banks from the large one that feeds thousands and thousands of people to one that is out in the rural country. And I found it interesting because the one was run at a church. To be able to get food, you could come twice a month but you had to show an ID, you had to prove that you lived where you live with an electric bill or a water bill or something like that. It actually wasn't a water bill. But you had to prove residence before you could even get in there and leave with the food. And so I see a dichotomy in an urban area *versus* a rural area.

In your experience, what do you see the management in a larger area, like in an urban area, how they distribute food and how they acquire their food *versus* in the smaller rural areas? Is there pretty much the same or what is your experience on that?

Ms. MAEHR. As I said, we have more than 200 food banks that make up the Feeding America network, and I always joke that if

you have seen one food bank, you have seen one food bank. We all operate a little bit differently. But we do have some things that unite us. And one of the things is an adherence to quality, to food safety standards. We have rigorous guidelines that ensure that all of the food banks in our network are operating at the highest operational practice level possible, not just for charitable organizations but for the food industry. So that includes regularly having outside inspections from third-party auditors.

And so making sure that we are adhering to the best practices for the food industry as a whole. Food banks are fortunate that we have such a strong partnership with the food industry, and that makes that possible.

So number one, it is making sure that the food is safe. It is also making sure that we treat clients with dignity and with respect. That happens a thousand different ways. But it is always making sure that our partners have the tools that they need, that we are challenging ourselves to be the best organizations that we can possibly be so that when a family or an individual shows up at that food pantry, they are treated with respect. They get the food that they need, and that food is the highest quality food possible so that they can, as Keleigh said, get on that trampoline that takes them back into being successful.

Mr. YOHO. I agree 100 percent with you, and I appreciate you and your compassion. I think that is something that shows very, very clearly.

I am running out of time here. What I would like to concentrate on is to hear from you how we can make these programs better because in our area, they got into a situation where one of the larger contractors to the USDA that was getting the food to give out, there was a squabble because they contract with smaller companies, and we have one in our district that I said feeds thousands and thousands of people. They lost that contract because a new person came over and took over the USDA contract, and this new company that came out was promoting how much food they were giving out. But what they were doing is they were going into homeless shelters giving out frozen chickens, multiple frozen chickens to people that don't have refrigeration. And that is a waste of the taxpayers' money.

And so I want to hear from you guys whether you submit it to this agency or I will submit questions to you, and I would love to hear back from you how we make the process more efficient, more streamlined so that the American people get the bang for their buck, giving money to programs like this, and we bolster the charitable but with what you do, we get the best results we can. And the other thing we want to focus on, getting people in, get them up, and get them out and self-sufficient. Thank you for your time.

Ms. MAEHR. Thank you.

The CHAIRMAN. The gentleman yields back. I am now pleased to recognize the gentlelady from New Mexico for 5 minutes of questioning.

Ms. LUJAN GRISHAM. Thank you, Mr. Chairman, and I want to thank the panel for being here today, and I also want to particularly thank Ms. Ender. I started my career serving seniors. So I appreciate the work that you do and that of the whole panel very

much. And in fact, I did consumer protection work, and that landed me a terrific job running the State Unit on Aging which then became—I was the first Secretary of Aging and Long-Term Care. And in the 1990s, I don't need the USDA information to tell me that SNAP's reach to senior households, even households for adults with disabilities, is lower than it should be and that you are reaching less than ⅓. They say ⅓. In states like New Mexico, I need to look at that data again, but I would bet it is even lower than that. And yet, with SNAP we are reaching more than 80 percent of other households that would be eligible. And for a state that is the hungriest state in terms of children in the nation, that is critically important, making sure that we reach everyone.

I also really appreciate that we have made the case that nutrition is a key factor in so many issues that are not only about respect and dignity and independence and health, but they save this country incredible resources. And we talked about diabetes and mitigation and elimination and management, and we talk about other chronic diseases and osteoporosis. But we really don't even talk about dementia which can be reversed with appropriate nutrition, for some types that are related to a Vitamin B deficiency and related nutritional deficiencies. And given that we really worry about long-term care costs, and we should, this is a way that really can assist us to manage huge healthcare costs in the future, in addition to making sure that we are feeding this population.

And my last point about the relevancy and the value and the importance of SNAP benefits for this population is in the context of cuts and limited resources, in the private sector and the public sector. We also should know that home delivered meals, both privately and through the Older Americans Act, have been reduced. And so your weekend meals and your evening meals and home-delivered meals are really gone. In my state, I am happy if I can get the agency to commit that they will do five meals, one a day, for individuals who aren't coming to a congregant center, and even for those, there are waiting lists. And we don't care about breakfast apparently or dinner, and we aren't caring about weekends. And the last point, back to health, is you can't take half your medications if you are not getting the right food and nutrition. So the whole thing, we have to think about it in that context.

So what can we do specifically in SNAP to make sure two things: first, that this population is clearly aware and that all of our partners are helping folks with this eligibility process? And then second, that we really talk more candidly about the fact that seniors receive less than ½ the typical benefit. And I can remember in the 1990s a poor senior citizen with one meal a day, through the Older Americans Act services, and that is not every senior in your community or state, got a $10 benefit. And I had to really make them go through the hoops to get that $10 benefit. But $10 was maybe a breakfast for the week. And so I was all about making sure that they did it.

So I want to really think hard about making sure that we create an environment for our partners, including the states and USDA, to think better and harder about ways to reach this population.

Ms. ENDER. I think you have really hit on the big issue that we have. There are a lot of seniors that are isolated. They are in their

homes. They are not plugged into networks. They are not going to the senior centers and getting congregate meals.

Ms. LUJAN GRISHAM. There may not even be a senior center in their community.

Ms. ENDER. Right. There might not be. But even if there are lots of services in the community, they are not accessing it for a myriad of reasons. They are isolated and in their home. And that is a huge challenge. If they are out and about and they are plugged into networks and all, then they may know about some of these.

Ms. LUJAN GRISHAM. Is there a public health model here that maybe would work so that for example as we are doing door to door vaccinations and WIC and those kinds of programs that we incentivize those programs to reach out and make sure they are connecting populations to a SNAP benefit because it is all related?

Ms. ENDER. I think we need to think more and more about: if something works with children, does it work with older adults, and *vice versa?*

Ms. LUJAN GRISHAM. Grandparents raising grandchildren.

Ms. ENDER. If it is working with older adults, could it work with children? Because, there are some similarities there with delivering services and all. I think we need to think that way a little more.

The CHAIRMAN. The gentlelady's time has expired. We will have an opportunity for a second round or if Mr. Webb, you can submit your answer in writing. But to be respectful for the other Members, we will stick to the time limit.

Mr. Newhouse, 5 minutes.

Mr. NEWHOUSE. Thank you, Mr. Chairman. Thank you all for being here and joining the conversation. It is very important. I had the pleasure and the experience of when I was Director of Agriculture in our state, the State of Washington, we had the responsibility for the emergency food programs. So I know firsthand the value of everything that all of you have talked about, what you do. We should be very proud of the accomplishments, certainly aware of the challenges that we have and a lot of work to do. Being a farmer also, I worked very hard to try to bond that relationship between the people that produce the food and those that need the food, and so we have a lot of great things going. I know we do in the State of Washington, and I hear similar things going on around the country.

So I have just got one simple question, and I would like each of you, if you have a response, to answer, and it has do with government. In working with government, how does it benefit what you are trying to accomplish in your mission, and what do you see are things that government is impeding—holding you back from accomplishing what you would like to accomplish?

Mr. WEBB. So if I can take that one, one of the issues—Feed the Children has been 99 percent privately funded since our inception. That comes from a mindset where we were looking more singularly focused about our ability to solve the issues alone. We have come to a place where we realize that is not the case. So we see the value of supplemental resources, like government funding, to help us to move the needle and encourage and incentivize the collaboration we described.

The other thing the government funding would allow us to do, we have talked about innovation, but the next step beyond innovation is finding that sustainable domestic programming that one of the models we are talking about setting up is a social enterprise so that with the government funding would be sort of up-front capital that would create this model that has a sustainable approach where after we have built this system that is a credible business that can stand on its own, the need for government assistance, the need for private resources doesn't need to be used in those type of situations.

So having government funding to support that collaboration, to allow us some startup funding to create the innovative models and create these long-term sustainable solutions is where government funding could be most impactful.

Ms. MAEHR. I would actually say that, as I said in my remarks, it is a partnership. And it is not so much that I want the investment in my organization. Our organization is largely privately funded.

Where I really need government to invest is in programs like SNAP, WIC, TEFAP, and CASFP and Summer Meals to make sure that those programs are strong for the people who need them when they turn to them.

We love having that partnership, and together we can make sure that people in our community have the food that they need to eat.

Mr. NEWHOUSE. Thank you.

Mr. KUNZ. I am so thankful that I am physically in between the two of these presenters this morning because I also want to point out that we would absolutely affirm the value and efficacy of SNAP. We also believe the data shows that expanding these public-private partnerships reduces the burden on government, and it increases efficiencies in the program. So the long-term effects of these public-private partnerships of keeping these programs strong and enabling us to do these partnerships better is going to facilitate a trampoline effect and it both reduces the burden on the government and enables nonprofits to leverage the funds that we have and the funds that we are asking for to do this better.

Mr. NEWHOUSE. Absolutely.

Ms. ENDER. And I would say to not forget that you can have a lot of wonderful organizations out there in the community that are doing wonderful things. You can have a lot of wonderful volunteers out in the community doing wonderful things. But as Dustin said earlier, you do have to have some funds to have someone that helps coordinate and pull everything together. When you have coalitions in the community that are working together, and we are all in the trenches, and we are working hard and it is hard sometimes to step back and to meet. We said there are a lot of innovative things going on and there are. But it takes stepping back and building coalitions and taking a little time to put your heads together. And to do that, you need a little help and coordination sometimes. And I would say that sometimes maybe government forgets that coordination part.

Mr. NEWHOUSE. Okay.

Ms. ENDER. They are really good about thinking about the services needed but maybe forget about the needs for coordination.

Mr. NEWHOUSE. I see my time is just about to expire, but——

The CHAIRMAN. The gentleman's time has expired. Mr. Costa, for 5 minutes.

Mr. NEWHOUSE. Thank you, Mr. Chairman.

Mr. COSTA. Thank you very much, Mr. Chairman, and I have been in another committee and meeting concurrently. So I have had to go back and forth. But I have picked up snippets of the testimony of our witnesses here, and you, basically, have explained to Members of the Committee the importance of this public-private partnership and the relationship and the overall efforts, challenges and the demands. In many areas of the country, the need exceeds the available resources to provide the support for those people who are living in conditions of poverty and extreme poverty. I don't think I have to tell any of you about the horrific drought that we are facing in California. And I represent an area, along with some other colleagues, where it is ground zero. And this drought has resulted in hundreds of thousands of acres, estimated a million acres, of land out of 6 million acres in California that will be fallow this year as a result of the drought.

Now, the impacts to the farmers are very, very devastating. The impacts to the farm workers are in some cases catastrophic, and to the farm communities, the school districts and the like.

Let me give you a snapshot of the poverty that exists and the impacts of the food bank in my district, the 16th Congressional District in Fresno, Madera, and Merced. The community food bank continues to see high levels of families struggling to recover in the wake of the recession, but the drought obviously has compounded it: 280,000 individuals per month are being provided food from the Fresno Community Food Bank; 90,000 of those 280,000 monthly are children who are being reached. And only 60 percent of the efforts of the food bank are providing food for families in the five-county areas. SNAP therefore is an important part of keeping folks with necessary food.

Over 522,000 families have benefited from the SNAP program in the area. So when you have that kind of level of 40 percent and 50 percent unemployment, and these are people who I have known all my life, some of the hardest-working people you will ever meet, who cannot work today because there is no water for them to work on the farms. It is really very, very devastating.

And let's just be frank. A number of these people can't benefit from the SNAP programs because they are not here with legal documents. So the community food banks play a critical role for those individuals. And the churches and the other organizations are very critical, the volunteer organizations as some of you represent. I was just at an annual banquet for this food bank that I talked about 2 weeks ago run by Andy Souza. And they raised a lot of money. This was all private-sector money, big fundraiser, 600 people there, a lot of the ag organizations, big sponsors, to supplement the TEFAP program that provides funding for the community food banks because it is not enough. That is how big the problem is.

So let me just close by making some observations. States have few options to achieve cuts outside the benefit cuts because 90 percent of program expenditures go for SNAP. If the cuts from SNAP come solely from the benefit cuts, states would have to cut an aver-

age of $55 per person, not a household, to each of these affected. For a family of four, this would mean over $200 a month. Seventy percent of the SNAP participants are of families with children. More than ¼ are in households that include senior citizens or people with disabilities.

Finally, the SNAP program, supplemented with the community food banks and the private-sector involvement that you folks represent, are all needed. They are all needed. And the SNAP program works so that when you have greater times of economic uncertainty and recession, it expands and it contracts when things get better. And hopefully it will rain. We are praying for rain in California, and snow. I don't know if any of you have any observations you would like to make on my comments?

Ms. MAEHR. I would and just that we feel that beyond California the price of fresh produce, it is a burden for families who are struggling. It is also a burden for food banks like mine that now purchase 34 percent of our food. And so we pay more. The families we serve pay more. It also underscores why it is so important for us to have the dollars for the TEFAP programs, storage and distribution. It costs a lot of money to make sure that people have food in our community.

Mr. COSTA. Thank you.

The CHAIRMAN. The gentleman's time has expired. Mr. Allen, for 5 minutes.

Mr. ALLEN. Thank you, Mr. Chairman, and Ms. Green-Patton, I want to tell you that you are a hero of mine.

Ms. GREEN-PATTON. Thank you.

Mr. ALLEN. And I will think that my time in Congress will be successful when everyone has the opportunity that you have had to succeed.

Ms. GREEN-PATTON. Thank you.

Mr. ALLEN. And that is what we want in America. And thank you for your testimony. I hope that you will continue to give that testimony throughout this land to encourage others to seek the help and counsel and advice and to do the hard work it takes to do, which you have accomplished, because I know it was difficult.

I have worked in many charitable organizations. I had the privilege to employ a lot of folks and help them, and that is one of the greatest privileges of my life. Growing up in Augusta, Georgia, we have had our share of issues as far as a community. But the food bank is something that everybody can support and do everything they can to help. Those folks do their work. And I have also had the privilege of serving others down at our Thanksgiving dinner, and that is always a privilege to talk with folks who need hope. And again, the thing I love about this testimony that you are all doing today is that I find that in this country that folks who serve are so full of joy. I mean the true joy is in serving. And again, that is a message that I would like for every American to hear.

I want to make sure as far as this body, this Congress, is there anything that we are doing that is restricting what you are doing out there? And how could you help us fix it? And I will just open that up to the panel. Are we causing any problems for you? You better speak now or forever hold your peace. Anything you would like to share?

Mr. WEBB. I will share an experience. One of the issues that we were having was with demonstration grants that are available that often have to go through states, and it makes it difficult to apply for nonprofits. Depending on the political will in your state, even though you may have a very credible program that you think would demonstrate results, it really is dependent upon the will of the state to get those——

Mr. ALLEN. Right.

Mr. WEBB.—to get that.

Mr. ALLEN. So there needs to be a uniformity between the states?

Mr. WEBB. Or to be allowed to go to the nonprofits on the ground, one of those. But the programs are at the risk of the political will of the state.

Mr. ALLEN. Okay. About what percent in this country are we providing as far as charitable *versus* government food? Are there any statistics as far as like SNAP program provides a certain percentage of food *versus* charitable contributions?

Ms. MAEHR. Of the country?

Mr. WEBB. That is something I can—we don't have the——

Mr. ALLEN. Okay. You——

Mr. WEBB.—numbers for it. Can I——

Mr. ALLEN. Yes, that would be good, useful information as far as providing for these private-public partnerships is, okay, what is expected of us and what is expected of others.

Mr. WEBB. What I can say, Congressman, one quick comment here——

Mr. ALLEN. Yes, sir.

Mr. WEBB.—is that Feed the Children last summer offered the Summer Foods and Service Program with the USDA, and we were able to provide 200,000 meals in Oklahoma over the summer.

Mr. ALLEN. Okay.

Mr. WEBB. And 9,000 of those meals were covered by Federal resources.

Mr. ALLEN. Okay.

Mr. WEBB. The rest of the meals were covered through privately funded sources.

Ms. ENDER. I also would say that I don't know that you can ever get really good figures on that because certainly large efforts, large community efforts are going to have figures. But you have so many small groups, small churches and nonprofits that are doing a little something that I don't know that you could ever really get accurate figures?

Mr. ALLEN. Right. Well, in other words on the SNAP program, in 2014, we fed about 46.5 million people which was about $418 per person per day. Do you all keep any statistics like that?

Mr. KUNZ. We in Texas have a whole variety of statistics we would love to share with your office. I will say that Craig Gundersen is one of the leading experts in this field, and he estimates about three percent come from charitable——

Mr. ALLEN. Food from——

Mr. KUNZ.—of the total come from charitable resources.

[The information referred to is located on p. 221.]

Mr. ALLEN. Okay. All right. Great. Well, again, thank you so much for what you do. It has been a privilege to be here with you today. I yield back the remainder of my time.

The CHAIRMAN. The gentleman's time has expired. Mr. Aguilar, 5 minutes.

Mr. AGUILAR. Thank you, Mr. Chairman. I want to thank the panelists for the discussion. I think the overall theme that I am hearing is about partnerships and collaboration and how it really does take everybody at the table, including us, to play a role in that.

Ms. Maehr, in your testimony you mention the gap between SNAP enrollment and SNAP eligibility. In your experience, can you dig a little bit deeper on what are some of the factors that lead to that low enrollment, especially in African-American and Latino areas and communities? And as a follow-up, are there cultural barriers where you think we can work collaboratively together with some of our community groups in order to make it happen?

Ms. MAEHR. Thank you. I am so glad you asked that question, particularly building on the last question. The challenge that we see so much is at the state level. In the State of Illinois we have an 18 page long SNAP application. And I always joke with people, I know that sometimes it is popular for folks to talk about walking in the shoes of a SNAP recipient by trying to shop on the average benefit a day. I actually encourage all of you to fill out your state's SNAP application.

In my case, in the State of Illinois, it is incredibly complex, and it is a daunting challenge particularly the type is very small. So if you have any sort of eyesight challenge, if English is not your first language, if you aren't well-versed in a whole slate of bureaucratic terms, it is very complicated to understand. Also, as Ms. Green-Patton testified, if you have a job, it is very difficult to apply for SNAP benefits because you have to take a day off of your job. We have made it very complicated for people to get this benefit. Additionally, for people who are not native English speakers in the Latino community, there is an additional set of challenges. There is a lot of concern. It is why we see SNAP outreach with private partners to be an incredibly effective tool.

There are people who very understandably don't have good feelings about interfacing with the Illinois Department of Human Services. It is often a bureaucratic nightmare.

Mr. AGUILAR. Thank you. I appreciate that. Are we doing enough? And I guess this could go for the entire panel. Are we doing enough SNAP outreach in those under-served communities? If we can start with you and kind of work our way back?

Ms. MAEHR. I think there is certainly more that we need to do. We do it through a network of volunteers as well as paid staff. We are stretched incredibly thin, and we know that there are still people who are eligible in our community that we are not reaching. And so there is a lot more that we can do to connect people to SNAP.

Ms. GREEN-PATTON. Just at my church alone where we offer free hot meals to people a couple times a month, I have people asking for food before they leave. And so it makes me wonder, how far are we able to reach? And so I don't know if it is a monetary thing.

I don't know. I am just not sure. I know that we have volunteers, and they can only do so much. But it seems like we can do a little bit more to make sure everyone is touched.

Mr. KUNZ. I just want to first clarify, my organization, the partners we work with, we don't necessarily do SNAP outreach. We are not trying to increase SNAP rolls. We are really focused on access. That is part of the genius of the Community Partner Program is that in these areas, in these neighborhoods, when an organization sees the need, culturally and neighborhood-appropriate organizations do the application and do the assistance and are able to overcome a lot of those barriers and to provide, like I said, access which is our most crucial issue.

Mr. AGUILAR. Thank you.

Ms. ENDER. Well, we would like to see more seniors on SNAP because they are under-served by the program. And so we are a part of the Hunger Coalition, and we are actively out in the community trying to educate people that there is a program that can help them if they have that need.

I will say that since we have been a Community Partner, when we first started out, we would assist three people a week, and now we are to three people a day. And so we are very excited about that and encouraged because we have a lot of hungry seniors out there in the community. And yes, we would very much like to enroll more of them.

Mr. AGUILAR. Thank you.

Mr. WEBB. And like Dustin said, my organization doesn't specifically do SNAP outreach, but when we have events where we provide food and essentials to individuals, we have opportunity for people to sign up for SNAP there. And we consistently see people still signing up. And one of the approaches that we are hoping to use internationally and want to bring domestically is a care group model I described earlier where we have volunteers who are going door to door and into individuals' homes and educating them with curriculum. The SNAP outreach and enrollment process could be something that those volunteers are trained to do in-home. But it can't solely rest on the volunteers, but it could be one option.

Mr. AGUILAR. Thank you, Mr. Chairman.

The CHAIRMAN. The gentleman's time has expired. Mr. Benishek, 5 minutes.

Mr. BENISHEK. Thank you, Mr. Chairman. Thanks for being here today. I think you reinforce my own personal thought about the private sector and the public-private partnerships. It just seems to me that visiting those kind of folks in my district, which I just got back from, they do things so much more efficiently than the state bureaucracy which Ms. Maehr sort of explained to us how it is in Illinois. I got to meet, this past week, several people in jobs programs and young people getting skills programs. And so I really appreciate the fact that you guys are promoting these. That is really where the answer is, is to have some government funding for you guys because you don't have that much overhead. You know who the people are that need the help, and you get it to them. So I just want to say thank you for that.

Ms. Green-Patton, I had a couple questions for you because you mentioned a couple things about how this communication helped

you find a job. And I have a concern about people who are on the SNAP program and then they are concerned about getting a job and then they might not be eligible for the SNAP and they end up being worse off working than they were, can you talk about that a little bit? I know the Community Kitchens helped you out. Is that a real issue, that people have some barriers to getting a job because they don't have a way of working and getting the SNAP? Tell me more about that.

Ms. GREEN-PATTON. Well, I can only speak for my experience, but just like with any job, you start a job and some jobs, they don't allow you to take off for the first year or for the first 90 days. And so when you are finally blessed to receive a job and you have to go and fill out, like Kate said, that 18 page application and then you have to go down to the office and stay there all day long until you are seen or until your appointment, and then you have to come back because there are some more forms needed that you didn't know about before, it is almost discouraging for people to apply for the benefits, I feel.

Mr. BENISHEK. Yes. Mr. Kunz, it seems like it is working better in Texas than it is in Illinois. Would you say that from what you are seeing? From what I understood, it was easier in Texas. Is that right?

Mr. KUNZ. I certainly think so. I think one thing is we have a very short wait time for navigators to help with the application, and a Community Partner can be open at any time, can be open in the evenings and on weekends, can be at community events as well as a place that is open during the day for those that work evenings.

Mr. BENISHEK. That process is not available in Illinois, is that right, Ms. Maehr?

Ms. MAEHR. That is right, and that is one of the challenges just in general is that there are 50 states, and SNAP is administered 50 different ways. And there are some states that do an amazing job, and there are some states frankly that don't.

Ms. ENDER. I think the application, there are some positive things happening in Texas, but we have issues with the application, too. Improvements have been made, by the way. So it is a lot better than it was but we do have problems with the application. It is very confusing.

And yet, there is a certain amount of, "Hey, there is a certain amount of information that has to be there." That is the reality.

Mr. WEBB. And if I could talk to the workforce development component you were mentioning earlier, one of the things that we are doing with Feed the Children is we have built a center to identify bright spots that are happening in communities, programs that are demonstrating measurable impact and just need some support to be scaled up. And one of the communities we worked in in New Orleans, we have seen a program similar to the model that you have described called Liberty's Kitchen where they work with at-risk or low-opportunity youth to provide them with job training and work development resources. And then they have a network of partners who try to place them in jobs because of the relationships they are building. So they are moving them through the pipeline and improving their situation beyond just the assistance——

Mr. BENISHEK. Oh, no, you are right. I just met in Michigan with Experience Works. They work with the Michigan Employment Agency, and they get older folks into some nonprofit jobs. And then they transition to another job from there. And that was a program that was working well. I met several members of the program that found work and then transferred out. That is a key component of what we are doing here.

I am trying to figure out how to make this SNAP and transition back into the workplace an easier thing. I am out of time, but thank you for answering my questions. I appreciate it, Mr. Chairman.

The CHAIRMAN. The gentleman's time has expired. Mrs. Bustos for 5 minutes.

Mrs. BUSTOS. Thank you, Mr. Chairman. I am from Illinois, so I want to say welcome to a couple of our panelists here from Illinois. I hope your trip to D.C. is going well.

And Ms. Maehr, your invitation for those of us sitting around the table here to fill out an application is an intriguing one. The fact that I have 53 year old eyes and small print is a bother to me now. It was an interesting thing to point out. And the fact that it is 18 pages long, unbelievable. And so I would like to just get a feeling for that.

You mentioned there are 50 different ways to apply for benefits. I am wondering, is Illinois looking at some of these best practices, and is there anything that we can do on a Federal level to, perhaps through a pilot program or anything else, to figure out what is working well. If it is Texas that is the role model or if it is some other state. I would like to make sure that we are doing it right at least in the State of Illinois and wonder how we can play a part in that.

Ms. MAEHR. Me, too. I think that one of the challenges that frankly all states face but in particular we face in the State of Illinois is that there is a hesitation and a reluctance to invest in some of the systems that make it possible for public, for government to be efficient. And so we have an antiquated system. We have a paper-based system in Illinois.

And so everything is based on people filling out paper applications, and it takes time. Applications get lost. And yet, when you talk to most people about do they want to invest in buying computer and database systems for state government, you don't get a lot of enthusiasm for that idea, particularly in a state that has had some of the challenges that we have had in Illinois.

And yet, at the same time, I look at what modern commerce can do, and we can move food and we can move products around the world in a matter of hours. And it is endlessly frustrating to me that we cannot figure out a way to deliver the same quality of service efficiently in the public sector. We strive to do that. We certainly in the State of Illinois look at other states that are models, but we know we have a long way to go.

Mrs. BUSTOS. Who is doing it right, and what can we learn from who is doing it right? And anybody can answer that. There has to be a role model state or community or someplace where we can say this is what we should be doing and somehow systemize it so everybody can get this right. Eliminate waste or redundancy or what-

ever else is clogging up the efficiency of the system and making sure that hungry people don't go hungry.

Mr. KUNZ. Ms. Bustos, I don't want to say that Texas is doing it right. It is a bold statement. I want to say we are doing it well, and we are getting better at it. I think that we are creating a model for public-private partnership that is incredibly effective and creates a great exchange between the private sector and the public sector and creates a lot of information. I think that we are creating a great model, and I also know that we have an annual summit coming up, and you are invited to come in and learn about how this works, everybody on the ground, and with our legislators.

[The information referred to is located on p. 222.]

Mr. WEBB. And then to go back to an earlier comment that we made around the innovation funding that would allow organizations to better share best practices, the fact that we have the conversation about not being able to identify what those are would be strengthened by the ability to come together in a forum like is being described to be able to share that among the community of practice.

Ms. MAEHR. And I will just say, in Illinois, I don't want us to be battered too much. We do have a new governor who has been very supportive of all of the food banks in the State of Illinois, and we are looking at Texas and we are talking to the governor and his team about what can we learn and what can we do in the State of Illinois to streamline and make our system entirely more efficient.

Mrs. BUSTOS. All right. Thanks to all the panelists, and I yield back the remainder of my time.

The CHAIRMAN. The gentlelady yields back. Thank you. Mr. Emmer, for 5 minutes.

Mr. EMMER. Thank you, Mr. Chairman, and thanks again to the panel. Sorry I had to come in just a little bit late, but I haven't missed anything since. And I want to thank you not only for being here but for your candor. Sometimes we tend to think, at least in my experience starting at a state level, that just because we have been doing something a certain way means that we have to keep doing it that way. We might add to it, but we keep doing it. You and your experience, your testimony here today proves otherwise. I understand that everybody is taking a very clear approach that you want to be an addition to SNAP benefits. But I will tell you, my coming here today wasn't about that. I want to know more about what are successful programs that are community based from the ground up instead of from the top down.

Personally, working with faith communities, working with interested individuals in my home state, frankly doing it myself, I find that the connection with the individual in need which is some of the personal experience we have heard today is better for both of the individuals involved. Somebody said years ago—it is probably already been stated here today—that a hand up is much better than a hand out. That being said, I also get a little nervous when I hear the testimony today because to be critical, there were questions that were asked earlier, please tell us what the government structure is doing to restrict your ability, and everybody sat at the table and was frozen. And I do appreciate you trying to be very

statesmanlike in the answers. But, going forward, people get a little territorial, and people worry about you have to work with these folks every day and you need the partnerships. You don't want to create any unnecessary tension. But we need to know what those potential obstacles and difficulties are because frankly the future of the system is going to be more based on you and your experiences on the ground and the innovation that you are looking to create. That is what people up on this side of the dais need to hear about and understand in order to make those votes that are so important.

So even though I hate the statements, I just made one, and I want you to understand that I am just learning as one of the new people here. Now the bad news about us new people is that we have a lot to learn. The good news is that we don't know everything yet. So we can still learn.

Mr. Webb, if I could, you talked about your recommendations, and you gave a list of three. It struck me, and I just had a question about: can you tell us how much is provided from one source *versus* from another source? I want to talk about measurements and impacts. Can you tell me how you are measuring the impact, and if others want to add to this because I want to know how I can quantify it when I have to make policy decisions?

Mr. WEBB. So domestically?

Mr. EMMER. Yes.

Mr. WEBB. At this point domestically our measurement is around number of meals served, amount of poundage of food, millions of pounds of food distributed, those type of pieces, and we are building research now to identify some of the health implications and moving people into different situations. But right now it is based on meals served and millions of pounds that is distributed. And in our opinion, there is a difference in what takes place internationally because we actually measure how we are moving people from one situation to the next. If I could use an analogy, it would be almost like someone trying to get healthier and measuring the amount of weight they can lift. Yes, it may be one component of it, but you need to maybe measure BMI, cholesterol, those sort of things to make an informed decision about how you are moving.

Mr. EMMER. And I guess that is where I was coming from. One side is production, how much you are producing, how much you are providing. But the other one is results which is Ms. Green-Patton when you talk about results.

Ms. MAEHR. You have raised an incredibly important point in that more of us—we need to think more about the health of the people that we are serving. And this idea, from our perspective, food is medicine, and it is not just about moving pounds. It is not just about the through-put, but it is also thinking about the health impact. And so food banks all across this country are engaged in partnerships with health systems, with hospitals, and we are measuring the health——

Mr. EMMER. I am running out of time, so I just want to say if you could get us that information——

Ms. MAEHR. Absolutely.

Mr. EMMER.—that would be very helpful for somebody like me. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. The gentleman's time has expired. Mr. Scott wanted one more round? David?

Mr. DAVID SCOTT of Georgia. Thank you. I just want to ask you. I was listening to Bill O'Reilly last night on Fox News, and he had a veteran on. One of the areas that I work very hard on is with our veterans. And as I mentioned earlier we have one million that we know about, veterans, that we can find that are on SNAP.

In that conversation last night, Bill O'Reilly was talking about the suicide rate of our veterans. Ask him about that. And the point he said was the fact that out of desperation, this guy had tried suicide. And it was very profound to me when Bill asked him the question, why did you want to take your own life? And he said because after going and fighting for my country, I come back home. I can't keep a job. I can't have a job. I can't even put food on the table for my family.

That is why, Mr. Chairman, I really appreciate you putting this hearing on. This is one of the most important hearings that we could have. We can survive without a lot of things, a car, you name it. The one thing we cannot survive without is food. And so when our soldiers are going without food, that bothers me as it does I am sure everybody sitting in this room. We are not doing enough.

I want to ask you, each of you, in your food banks, do you have a special effort, do you concentrate, is there anything that you all are doing to get at this most-needed target? We on the Federal side are doing things but not enough when you hear the kind of conversation that was on Bill O'Reilly last night.

Could you tell me, Ms. Maehr——

Ms. MAEHR. Absolutely.

Mr. DAVID SCOTT of Georgia.—what you all are doing to reach our veterans?

Ms. MAEHR. Absolutely. So 18 percent of the households that get food from the Greater Chicago Food Depository have either an active or a former member of the military services.

Mr. DAVID SCOTT of Georgia. Yes. Did you say 18 percent?

Ms. MAEHR. Eighteen percent. And for us, it was so troubling that it really spurred us into action on two fronts. First was targeting our SNAP outreach specifically to veterans and working in partnership with organizations that specifically address the needs of veterans, both those who are homeless as well as those who are not homeless. It also spurred us to open two food pantries operating inside of the two VA hospitals in our community. And tomorrow morning if you were to happen to go to the VA center just outside the City of Chicago, you would see close to 300 men and women who are veterans of the Armed Services lining up to get food.

Mr. DAVID SCOTT of Georgia. That is a very, very salient point. I don't think this country realizes how impactful the situation is with our veterans going hungry, and it is a shame and it is a disgrace. Are there any others of you that have similar efforts targeting our veterans?

Mr. KUNZ. Just to comment on that, Mr. Scott. As a veteran with a bum knee and who struggled with reintegrating into civilian society post-employment, this is an issue that is particularly close to my heart as well, obviously.

We have worked to find and coordinate partnerships with veterans' services organizations, with VFW organizations, and some VFWs are Community Partners taking part in this partnership with the State of Texas.

Mr. DAVID SCOTT of Georgia. Okay.

Mr. WEBB. And we are not the experts in this area, but we have found that a veteran is more than twice as likely than the average American to be food insecure.

Mr. DAVID SCOTT of Georgia. That is right.

Mr. WEBB. And so we are actually trying to build some programs now that are not the final solution but similar to our food drop truck models providing food to those veterans in their time of need.

Mr. DAVID SCOTT of Georgia. Well, thank you very much. This is why I said earlier we need two trains running because we can't do it all. We need so much there, and nowhere is this 20—20 is the number of each day that we have a veteran committing suicide. PTSD affects that. I work very closely with them as do my staff on that, and I commend you and hope that we do more. Did you want to make a closing statement now?

The CHAIRMAN. This has been a terrific, really terrific panel. I want to give each one of you another minute to get into the record and tell Mr. Scott and I something that you may have thought, "Gee, I wish I could have gotten it in the conversation." Mr. Webb, you had something earlier I cut you off on. So we will just go down the line, if there is one other thing. We will put a minute on the clock for each one of you, and anything else you wanted to get in the record.

Ms. MAEHR. Sure. Let me start with what I just say when people come to my food bank and ask me how is it going. We are doing a booming business, and we do not want to be doing a booming business. There are more than 800,000 people in our community who are turning to us for need, and the faces of the people we are serving might surprise you. Increasingly, the people that we serve in our community and the people who are hungry in America, they are people who do everything right. They are people with jobs. They are people who are sending their children to school. There are people who, despite all of their best efforts, they need that additional assistance. And that is what SNAP does.

So the opportunity to protect SNAP, the opportunity to look at other critical nutrition programs. We haven't talked very much about CSFP, but it is a program that is on the front lines of making sure that the older adults in our community have food and also the importance of the TEFAP Program. We are so grateful for the increase that we received in the 2014 Farm Bill. But having the additional dollars for storage and distribution make it possible for great organizations to continue to do this work. Thank you.

The CHAIRMAN. I thank you. Ms. Green-Patton?

Ms. GREEN-PATTON. Thank you. Again, I am a proud past product or benefactor of the SNAP program, and we need to make sure that people like myself and people that will receive the program or receive the benefits of it, they are not caught up in the bureaucracy of just trying to say I want to feed my family. It is a trampoline. I know some people don't feel like it is. I think people look at us and they say, "Oh, you want to stay on there your whole life." And

that is definitely not the case. We just want a moment to be able to feed our family and get back to doing what we do as Americans. Thank you.

The CHAIRMAN. Thank you. Mr. Kunz?

Mr. KUNZ. To pick up Mr. Scott's metaphor about the two trains running, we have done some of the two trains running, and that is wonderful. But I also want to point out that what we are talking about today, these kind of partnerships, this is more like a team of horses. We are not competing, and we are not working independently. We are working together in tandem. And we have yet to see and evaluate what those partnerships with those teams can do.

On this panel there are three doctors, I believe there are at least six veterans. If you were from the public sector, the private sector, all these different areas of expertise, that is what the Community Partner Program is, and that is what several of our partnerships are. We bring people with all different types of expertise to the table alongside the government, and funding for that through social innovation funds, through the Hunger Free Communities line item that has been previously zeroed out, and all kinds of other ways the Federal Government can continue to create and improve and evaluate these public-private partnerships would aid us in our work.

The CHAIRMAN. Thank you. Ms. Ender?

Ms. ENDER. In regards to seniors, I would just like to say that everyone ages very, very differently. You can have somebody that is in their 60s and physically they can't do things that somebody in their 80s could do. And then, mentally, there is the same sort of comparison.

And we have an employment program at our agency, and we help those that want to get back into the workforce. But there are seniors that cannot do that for whatever reason. And seniors are a little bit different than the rest of the population oftentimes because they are on a fixed income. It doesn't grow that much, and they can't go get another, a second job or something like that. So they can be under tremendous stress when we see them. They can be crying. They can be angry. They can be very frustrated. They can be—and when you get under stress and you aren't eating well and maybe you haven't been able to purchase your meds, and you are not taking those on a regular basis, you need assistance, you need help. That is where the Community Partnerships are really, really important.

The CHAIRMAN. Thank you. Mr. Webb?

Mr. WEBB. Thank you, Mr. Chairman. We strongly support the existence of SNAP because of the individuals we serve and the need, the safety net that has been described. We can't do our work without that baseline. But we do believe like Ms. Maehr said, that we should be working ourselves out of a job.

And to Mr. Scott's point earlier, it should be a partnership that allows us to test ideas, test innovation that can be scaled up, has measurable impact, and ultimately moves individuals from the situation where they need the safety net so that we can be in a place where when they use that safety net and they bounce from the safety net to the trampoline, they have someplace to land. And the ways that we believe we have seen this done well is around social

innovation, social enterprise that may require the team building and the collaboration up-front and the up-front investment but long term is a community-owned, community-led project that we can step away from and leave in the community for long term.

The CHAIRMAN. Thank you, Mr. Webb. Mr. Scott, for a closing statement?

Mr. DAVID SCOTT of Georgia. Yes, Mr. Chairman. I just really want to commend you for putting this panel together and this hearing for several important reasons. One, our rich nation. We are the most powerful nation, and we should not rest with any soul in this country, any child, any person going hungry. And to you panelists, when I hear your testimony and what you are doing, I am reminded of what Jesus Christ Himself said. When the disciples asked Him, what is it you would have me to do? He said go and feed the hungry and love your neighbor as yourself. That you all are doing. God bless you.

The CHAIRMAN. Thank you, Mr. Scott. I want to again thank our panelists. I have been around this place for a while, and this has been one of the better—best, quite frankly—group of five presenters that we have had. I want the world to know that you are the example of the spokesmen for hundreds and thousands of other agencies across this nation that are taking the bull by the horns themselves. They are not waiting on government. They are not waiting on anybody else. They just say we see a problem, and we need to fix it. And that can-do spirit across this panel is quite evident, and I want to thank you for being a part of that and the partners in this effort.

This is a partnership. No one, despite some of the comments, no one has talked about doing away with SNAP. We want it to be better. We want it to work for the participants. We want it to work for the taxpayer, and that is the purpose of this multi-year review is to get it right, to try to figure out what the right policies are, how can we make these things work.

I visited my own food bank in Odessa. It covers about 17 counties. At the time I was there, the unemployment rate in Midland and Odessa, in that area, was three percent or less. Think about that, three percent. So I am thinking this food bank is not doing much. They just get to be hanging out because at that rate, everybody has a job, everybody who wants a job has a job, and the boom is on. It was stunning to me to find out that their deliveries had gone from 3 million pounds to 5 million pounds during that timeframe. And it is like that is just counter-intuitive. I don't understand how that could happen.

Well, what is happening is because the boom that came in and the thousands of people that came to community, housing costs soared well beyond the standard that you would think a family could be able to handle. And so both ends of the barbell, the working poor and the elderly, because of fixed incomes and the impact, they were having to pay so much more for their housing and rent that they had to reduce their food budgets. And so the deliveries to those two groups had skyrocketed. The group in the middle, the rod, they were doing great, three percent unemployment and they were taking good care of themselves.

So it was eye-opening to me to visit, and I am going to encourage all of our Members to visit their food banks, to visit on the ground. Go see the folks that are trying to take care of business and make that happen.

I was also disappointed and particularly resented that there wasn't a mention of the role of families, particularly with the elderly. I have an 86 year old mother. She just turned 86, and she is stunningly proud of that. But she has begun to start that process where she is no longer fully capable for herself. But families have a role that I don't think was discussed this morning, maybe not on purpose, but I do see many instances where families have not taken up their responsibilities to care for the folks, their immediately family, and we need to continue to highlight that and help people understand that that is a vitally important part of this process.

I am also disappointed to learn about another situation. I visited the Jane Long Elementary School in Midland 2 weeks ago to talk about the breakfast program and the lunch program. The coordinator there for the school district also coordinates the summer program where children who are in daycare programs and other activities get help for those who need it.

Apparently the YMCA, the national Y, in cooperation with Ms. Obama and others, have developed standards for those programs that they cannot meet. And so this summer, the Midland Y which has always been a great partner in that summer partner program where you have a coordinator that goes to the various delivery agencies. They will be out of the program because they can't participate. And there will be 200 kids this summer who won't get the kind of nutrition help here in the summer between school that they would have otherwise gotten. So that is a problem where government has interfered with the delivery of the private sector.

This has been a terrific experience for Mr. Scott and I and the rest of the panel. I want to thank each one of you again for coming and sharing with us some important information and is helping us move along in what is going to be a 2 year review of the SNAP program.

So under the rules of the Committee, today's record will remain open for 10 calendar days to receive additional material and supplementary written responses from the witnesses to any question posed by a Member. This hearing of the Committee on Agriculture is now adjourned. Thank you.

[Whereupon, at 12:18 p.m., the Committee was adjourned.]

[Material submitted for inclusion in the record follows:]

SUPPLEMENTARY MATERIAL SUBMITTED BY KATE MAEHR, EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER, GREATER CHICAGO FOOD DEPOSITORY, CHICAGO, IL

Insert

Mr. EMMER. . . . It struck me, and I just had a question about: can you tell us how much is provided from one source *versus* from another source? I want to talk about measurements and impacts. Can you tell me how you are measuring the impact, and if others want to add to this because I want to know how I can quantify it when I have to make policy decisions?

* * * * *

Mr. EMMER. And I guess that is where I was coming from. One side is production, how much you are producing, how much you are providing. But the other one is results which is Ms. Green-Patton when you talk about results.

Ms. MAEHR. You have raised an incredibly important point in that more of us—we need to think more about the health of the people that we are serving. And this idea, from our perspective, food is medicine, and it is not just about moving pounds. It is not just about the through-put, but it is also thinking about the health impact. And so food banks all across this country are engaged in partnerships with health systems, with hospitals, and we are measuring the health——

Mr. EMMER. I am running out of time, so I just want to say if you could get us that information——

Ms. MAEHR. Absolutely.

Thank you for your question, Congressman Emmer. The first part of my answer focuses more broadly on what Feeding America and our network of food banks are doing. The second part is focused more specifically on Greater Chicago Food Depository's programs in this area.

Many low-income people face the dual burden of food insecurity and diet related disease. For example, Feeding America's research report, *Hunger in America 2014,* shows that 33 percent of food bank client households have at least one member with Diabetes, 58 percent include at least one member with Hypertension. Forty-seven percent of food bank clients report that they are in fair or poor health and 66 percent report choosing between paying for food and paying for medical care or medicine.

Given the prevalence of diet related disease, the fact that accessing nutritious food can be a particular challenge for low-income families and the importance of "food as medicine" in promoting good health and helping treat chronic conditions like Diabetes and Hypertension, food banks have increasing been partnering with physicians and healthcare providers on a number of fronts. These efforts include:

- Implementing food insecurity screening and referral processes in clinics and hospitals.
- Providing food pantries and SNAP application assistance on site at clinics and hospitals. One model is for physicians to write "prescriptions" for produce and other healthy foods and the patients bring the *f* to an on-site or mobile pantry. Patients also receive information on where they can get help- both food assistance and nutrition education on an ongoing basis.
- This summer, in partnership with Cornell University, Feeding America will launch a 6 month study to evaluate how small environmental changes at pantries can impact client food choices and consumption. This work is modeled after work done in school cafeterias and the retail environment.

In 2011, Feeding America launched a groundbreaking 3 year Diabetes Pilot to evaluate the feasibility of food banks to provide diabetes self-management support to individuals struggling with hunger and type-2 diabetes. The pilot also included blood sugar monitoring, diabetes-appropriate food boxes, diabetes and nutrition education and connection to a medical home. The results are very promising. For the over 800 participants completing the program, we saw statistically significant improvements in indicators including: reduced Diabetes distress, improved medication adherence, improved Diabetes self-efficacy, decreased depressive symptoms, increased fruit and vegetable intake and blood sugar control. This year, we launched a randomized control trial as part of phase two, which will further help to quantify the effectiveness of a food bank led diabetes intervention to improve health outcomes among our clients.

Leveraging the Affordable Care Act's new standard of demonstrable community benefit for nonprofit hospitals, Feeding America is partnering with Ascension Health to pilot a community collaboration between Providence Hospital and the Bay Area Food Bank in Mobile, Alabama around the hospital's Community Needs As-

sessment and Implementation Plan. This pilot will allow us to build a case study and evaluation to develop models on how food banks can work with local hospitals to improve community health indicators.

In Cook County, the Greater Chicago Food Depository has developed a partnership with ACCESS Community Health Network to link health and hunger. As part of this partnership, medical providers administer a two-question food insecurity screen and refer food insecure patients to nearby food pantries, the Food Depository's FRESH produce truck and our SNAP Outreach hotline.

To better reach veterans in need, including those who are experiencing health challenges, the Food Depository opened weekly food pantries at Jesse Brown VA Medical Center in 2013 and Edward Hines, Jr. VA Hospital in 2014. These programs enable struggling veterans to receive nutritious food options in the same facilities where they might go for medical care.

SUPPLEMENTARY MATERIAL SUBMITTED BY DUSTIN KUNZ, RESEARCH MANAGER; SALESFORCE ADMINISTRATOR AND DEVELOPER, TEXAS HUNGER INITIATIVE, BAYLOR UNIVERSITY, WACO, TX

Public-private partnerships play to the strengths of both sectors. Government agencies execute programs with precision and relative efficiency. They navigate the legal language related to participation, eligibility, compliance, and subsequently they are very good at enforcement—SNAP has a lower fraud rate than any other government benefits program. Government agencies have access to demographic and economic data that enables them to identify places and groups that would benefit most from outreach and education.

Nonprofits, on the other hand, can actually do the outreach and education, and can transition from helping ZIP Codes and demographics to helping individuals and families—people, not Census tracts—and can aid the family well beyond the government benefits for which they qualify. SNAP does raise people just above poverty, and it can catch them before they are knee deep in it, but the continuum of care at a nonprofit is designed to act as a trampoline to launch them back into self-sufficiency.

Insert 1

Mr. NEUGEBAUER. One of the issues that Mr. Kunz talked about Texas is a big state. I have a big district. Mike has a big district. And so when you leverage and use these partnerships, one of the concerns that I would have is what kind of oversight is the agency able to do to make sure that these agencies are all following the guidelines? Because one of the things that—it is not for a lack of people signing up for the food stamp program. I mean, one in seven Americans today are on the Food Stamp Program, and unfortunately, we think there are some people that are on the Food Stamp Program that maybe have not necessarily qualified to do that because of loopholes and so forth.

So what are you doing to make sure that our partners are following the guidelines to make sure that people that are actually getting on food stamps are actually qualified to do that?

Mr. KUNZ. Right. Thank you. Thank you for re-framing the question. I tend to not see challenges. I tend to see possible solutions, and this is one of the great things about the Community Partner Program is that the Health and Human Services Commission actually has a fairly reasonably rigorous process to become a Community Partner. HHSC treats Community Partners essentially as subcontractors, and there is an MOU that is signed, despite the fact there is no financial relationship. And then these partners are—we track what is happening with the partners, applications they are filling out. Are there common errors and are there patterns? And if there are, HHSC follows up. The Health and Human Services Commission, along with Texas Hunger Imitative, has been doing site visits to each of these different partners. So we have at least offered and are in the process of making more site visits to all of them.

And so as we go through that process we want to make sure that they are displaying proper information, and equal opportunity information and that all of the legal sides are covered and that we are sharing information with everyone involved. We provide statistical reports to the partners, and we also are able to analyze those on our end to make sure that there aren't errors.

Regarding enforcement, the partner never has the opportunity or intention of determining eligibility or payment rates. That remains entirely with the Health and Human Services Commission and allows the government to do what the government does really well and the partner to do what it does well.

What makes cross-sector collaboration successful are the differing strengths of each participating entity. However, these differences also present unique challenges that need to be navigated. In any cross-sector collaboration, entities will need to move toward one another to work effectively. When bringing together multiple entities from varying sectors, communication barriers arise because of disparate vocabularies and varying organizational structures, internal processes and project timelines. Along with this, the different ways sectors measure success make establishing common metrics for each party crucial. Despite these differences, if both parties are committed to the success of the partnership, they can work to meet the needs of the other. Government agencies are designed to administer large-scale programs that necessitate structure and less flexibility but provide scalability. Fleet-footed nonprofits can pivot on a dime to react to changing circumstances, complementing the agencies' scope and capacity. In the case of large-scale public-private partnerships, like those in Texas, the convening entity that spans the gap between the various contributors facilitates collaboration through translation, evaluation, and other needs as they arise. This enables the partnerships to function fluidly without every department having to learn the language of the other sector and allows for the cross-sector collaboration to amplify the strengths of individual entities and maximize their impact.

Insert 2

Mr. LAMALFA. Interesting. Well, I find that is a pretty fairly common theme across the boundaries. Natural Resources Committee, local people that manage forests and try to fight forest fire are complaining they are not getting enough local input with Federal fire fighters or Federal Forest Service, outside entities that don't know how to do it locally. So it is interesting, that the local input is very important.

If other states were looking for a model on this, looking to Texas, what would you recommend be done differently to streamline, maybe help other states to emulate what you are trying to do there? Is there some speed bumps that you would advise them to go around?

Mr. KUNZ. Sure. One of the speed bumps for a lot of organizations is funding. It does require some kind of funding in order to get these partnerships off the ground in order to really do——

Mr. LAMALFA. Start-up funding? Not program but the start-up type funding?

Mr. KUNZ. Right. Instead of funding for the kind of thing that Texas Hunger Initiative does, we convene all these organizations, but that requires everything from staff to perform the function of a backbone organization, which is the specific collective impact term, to fund those backbone organizations to create these partnerships and honestly to pay for coffee at these meetings that keep people in the room and keep them working.

In Texas, we are working to understand, evaluate, and implement the model(s) of public-private partnerships. This takes time, and it takes data. We encourage Congress to make the Hunger Free Communities a stand-alone component of the farm bill with mandatory funding to increase the capacity of states developing innovative partnerships. This will strengthen the ability for states to utilize the collective strengths of multi-sectoral partnerships which will translate into more families moving towards self-sufficiency.

Insert 3

Mr. ALLEN. Right. Well, in other words on the SNAP program, in 2014, we fed about 46.5 million people which was about $418 per person per day. Do you all keep any statistics like that?

Mr. KUNZ. We in Texas have a whole variety of statistics we would love to share with your office. I will say that Craig Gundersen is one of the leading experts in this field, and he estimates about three percent come from charitable——

Mr. ALLEN. Food from——

Mr. KUNZ.—of the total come from charitable resources.

Of all the food resources and assistance intended to address hunger in Texas, 1% comes from charitable sources.

Source: *http://www.baylor.edu/texashunger/index.php?id=85447*.

Average monthly SNAP benefit per person in U.S.: $125.35 (divide that by 30, approx. $4 a day).

Source: *http://www.fns.usda.gov/sites/default/files/pd/18SNAPavg$PP.pdf*.

Insert 4

Mrs. BUSTOS. Who is doing it right, and what can we learn from who is doing it right? And anybody can answer that. There has to be a role model state or community or someplace where we can say this is what we should be doing and somehow systemize it so everybody can get this right. Eliminate waste or redundancy or whatever else is clogging up the efficiency of the system and making sure that hungry people don't go hungry.

Mr. KUNZ. Ms. Bustos, I don't want to say that Texas is doing it right. It is a bold statement. I want to say we are doing it well, and we are getting better at it. I think that we are creating a model for public-private partnership that is incredibly effective and creates a great exchange between the private sector and the public sector and creates a lot of information. I think that we are creating a great model, and I also know that we have an annual summit coming up, and you are invited to come in and learn about how this works, everybody on the ground, and with our legislators.

Texas *is* implementing public-private partnerships well. We have a presence in the communities we are seeking to serve, we have strong, clear lines of communication between the state and the nonprofit, and both the public and private entities are largely responsive to the needs of the other. The public sector is able to equip the convening entity (in this case, a research university) with the necessary resources to engage 1,200 other nonprofits in benefits access—this maximizes the strengths of each sector.

SUBMITTED STATEMENT BY HON. ALMA S. ADAMS, A REPRESENTATIVE IN CONGRESS FROM NORTH CAROLINA; ON BEHALF OF CLYDE W. FITZGERALD, JR., EXECUTIVE DIRECTOR, SECOND HARVEST FOOD BANK OF NORTHWEST NORTH CAROLINA

Dear Congresswoman Adams,

Thank you for the opportunity to provide input which may assist you in this week's hearing regarding SNAP (formerly Food Stamps) and the role of the charitable sector in fighting hunger.

Nearly 50 million Americans suffer from food insecurity because they lack the financial resources to provide for their basic needs and, in my opinion, food is the most basic of human needs. While economic recovery is a daily focus of the news media, meaningful recovery has not yet reached those served by Second Harvest Food Bank of Northwest North Carolina and our sister food banks that are part of Feeding America's national network. A parent working one or more jobs trying to make ends meet and feed his or her family is not concerned with the Dow Jones Industrial Average or the Federal Discount Rate. Sadly, 18.3 % of North Carolina's population is currently food insecure.

In the 18 counties served by our food bank, one in six people need food assistance and, sadly, food insecurity plagues more than one in four of our children. Hunger is pervasive, urgent, and unfortunately, still growing. Feeding America's widely-respected Hunger in America 2014 Study reflects that 62% of our more than 400 partner programs still report significant increases in the numbers of people coming to them for food assistance. This same authoritative report shows that the majority of those we are serving have at least one job in the household; however, about 60% of those jobs are part-time, meaning fewer work hours, lower rates of pay and generally no health coverage. So, precious resources are stretched very thin in trying to cover basic needs. Although the official unemployment rates for the U.S. and North Carolina are now down to about 5.5% for March, unfortunately, those rates don't tell the whole story. The Bureau of Labor Statistics U6 Report for this same timeframe reflects an unemployment rate for the U.S. of 11% and 12.1% for NC, at least twice the level of the official rates.

Feeding America's *Map the Meal Gap 2015 Study* released just this week ranks North Carolina fifth worst in the country regarding the percentage of the population that is food insecure. Sadly, North Carolina's 12th Congressional District ranks the worst in our state for food insecurity and is among the ten worst Congressional districts in the U.S. Our food bank serves much of the district which you represent. We have been privileged to partner with you during your many years of service in the NC House and your leadership at the national level is crucial to our collective ability to serve those in need of food assistance.

Solving the problem of hunger and food insecurity in America requires a strong and sustained partnership between the public and private sectors and the engagement of compassionate individuals to ensure that all of our citizens have the opportunity to meet their basic needs. Government can't and should not be expected to

deal with this significant issue on its own. Similarly, the private sector, certainly including the charitable sector, can't possibly resolve this program without the assistance of government programs and policies that provide support and incentives essential for eliminating hunger and food insecurity in this great country.

The SNAP Program works as it was intended to work: it responds quickly in times of disaster or recession, reducing hunger and food insecurity, improving nutrition and health which, in turn, improves individual well-being. History shows that SNAP participation increases during bad times and decreases when the economy improves. The program serves millions of children, seniors, veterans, people with disabilities, jobless adults seeking work and those working—often at multiple jobs trying to make ends meet. Cutting funding for SNAP, imposing overly restrictive work requirements or changing the program to a block grant to the states would not only harm millions of our neediest citizens but also would overwhelm states and charities that are already unable to meet the need. Such changes would cause more food insecurity and poverty, worsen individual health outcomes and create even higher health costs for our country. I urge you and your Congressional colleagues to continue the bipartisan support of the SNAP program which is absolutely vital to the health and well-being of nearly 50 million Americans!

We need your support and the bipartisan support of the Congress to pass The America Gives More Act this year. This legislation expands food donation tax deductions to help small and large farmers, retailers, restaurants and food manufactures donate excess wholesome food to the nation's food banks. With over 70 billion pounds of food wasted each year, this legislation is critically needed to help food banks provide more donated fresh produce to those in need.

Other major legislative matter vital to our ability to provide food to those in need include the Child Nutrition Reauthorization, ensuring full funding for the TEFAP and TEFAP Bonus Commodities Programs as authorized in the farm bill and, as the House and Senate Budget Resolutions are conferenced, opposing any reconciliation instructions to the Agriculture Committee that would result in reductions to vital Federal nutrition programs.

I am grateful for the opportunity to provide input on these important matters. We are proud to partner with you and many others in the Congress in providing food and hope to the many, who unfortunately, have too little of both.

Sincerely,

CLYDE W. FITZGERALD, JR. *Executive Director.*

SUBMITTED STATEMENT BY MAZON: A JEWISH RESPONSE TO HUNGER

Charity Alone Is Not the Answer

Among the myths about hunger in America frequently repeated is the notion that it is better for local charities to feed people, not the government. The massive scale of the issue of hunger, the complex factors contributing to this problem, and the response necessary to adequately address it reveal a far different truth: charity alone is not the answer to ending hunger.

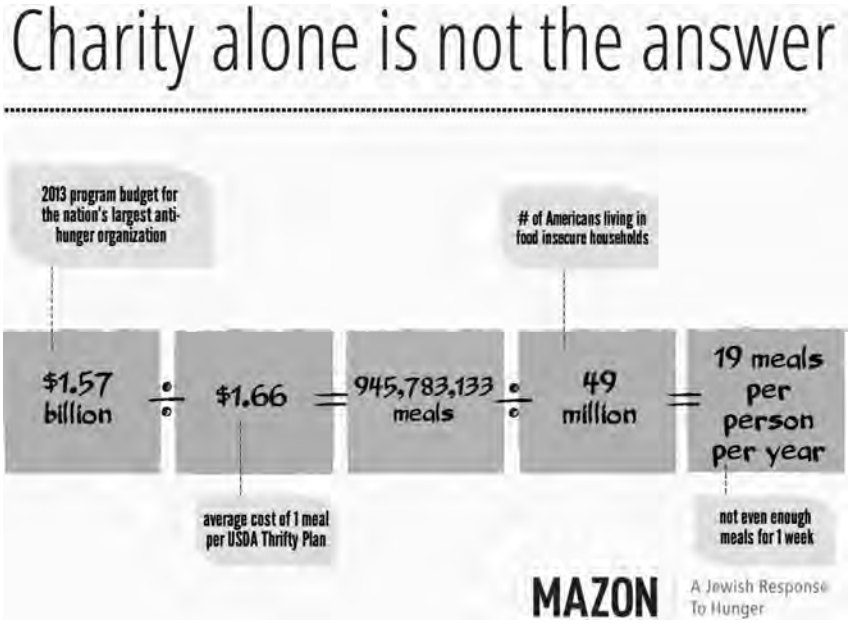
Charitable organizations—including MAZON's nationwide network of partners on the front lines—were not conceived to feed entire communities. Instead, these food banks, food pantries, and soup kitchens help to alleviate what were thought to be temporary or emergency situations. The charitable sector provides an important short-term fix but is inherently insufficient to solve the systemic problem of hunger. Many of these agencies are small operations open only a few days a week and for a few hours of each day. They are largely volunteer run, often out of basements or closets at their local houses of worship, and they primarily distribute food that has been donated from within their communities. They simply could never have the capacity to feed the significant and persistent number of people who need help.

The U.S. Department of Agriculture plays a strong and vital role in ensuring that hungry Americans have access to food by administering 15 distinct food and nutrition assistance programs. These Federal assistance programs serve as our nation's frontline defense against food insecurity. We cannot food bank our way to an end to hunger, nor do charities have the means to fill the gap left by declining government support. **Only the government has the capacity to address an issue with the magnitude of hunger and work toward a solution to this problem.**

It is essential that the government nutrition safety net programs are operated with the utmost effectiveness, efficiency, and accountability, and the USDA works diligently to ensure this is the case. Such well-run government programs embody our national commitment to account for the needs and rights of all Americans and our collective responsibility to care for the most vulnerable among us. MAZON: A

Jewish Response to Hunger is proud to stand as a partner in this shared effort to end hunger in the U.S.

ATTACHMENT



SUBMITTED QUESTIONS

Response from Kate Maehr, Executive Director and Chief Executive Officer, Greater Chicago Food Depository

Question Submitted by Hon. David Rouzer, a Representative in Congress from North Carolina

Question. North Carolina has a proud tradition of food banks. All of our 100 counties are served through seven different banks and a network of 2,500 pantries, shelters and soup kitchens across the state. Last year, over 450,000 volunteer hours were tallied and 150 million pounds of food were distributed. The seven food banks are part of an association which is a member of Feeding America, and 60% of the direct feeding is handled by our faith based organizations. If that network wasn't there, North Carolina would not have the success it does. Also, 95¢ of every dollar goes to actual food on people's tables, meaning our state runs a very efficient program.

Over the last decade, food banks have increasingly been able to offer more and more fresh fruits and vegetables. Ms. Maehr, can you comment on this movement? Are there any challenges to storing or delivering more fresh produce? It seems like this increase is a win-win for farmers and for consumers.

Continuing on this, one issue that continues to frustrate the North Carolina food banks is the amount of unharvested or unsold fruits and vegetables that go unused in North Carolina. The food banks' goal is to find ways of getting the necessary equipment and manpower to areas where this food can be used by the food banks. The director of our state association representing the seven food banks has spoken to my office about tax reforms and accounting reforms that could be helpful in making it easier for farmers to donate this food. Ms. Maehr, have you seen this problem in your area? Are there things you are doing to help farmers get their unused commodities to food banks? Do you have suggestions of how Congress can help with this problem?

Answer. Thank you for your question Representative Rouzer. Both the Feeding America network and the Greater Chicago Food Depository have made increasing

the amount of fresh produce distributed to our clients a key part of our strategic plans over the last decade. Our food bank network currently moves about 1 billion lbs. of produce annually to all counties in the United States and Puerto Rico, about 600 million lbs. of which is donated from produce farmers, packers and/or shippers. Getting fresh fruits and vegetables to the hungry people that need it is a huge focus for us. As a food bank network, we have set an aggressive goal of closing the national meal gap (distributing enough meals so that every individual in the United States that is in need of a meal has access to one). With the current meal gap being 8.7 million meals, we will have to grow by almost 90%, about 40% of which will be fresh produce. In our most recent research study, 55% of the people we serve said that fresh fruits and vegetables were the most desired item not received. In the Food Depository's local network, more than ⅓ of everything we distribute is fresh produce and the people we serve appreciate this nutritious food, but we know that more needs to be done.

There are challenges involved in increasing our capacity to source and distribute more fresh produce. Distributing more food that is perishable means investing in the logistics need to do so safely and efficiently, meaning more refrigerated trucks and distribution through avenues like mobile pantries.

There are also challenges in obtaining increasing amounts of fresh produce to distribute to the 46.5 million Americans we serve each year. As you know from your work with food banks in North Carolina, there is an enormous amount of food that is wasted in America each year, around 70 billion pounds. A significant portion of the amount of nutritious food wasted, 48 million pounds, is pre-production and includes fresh produce that is not donated from farmers and producers. Some of these challenges are logistic in nature—if a farmer has an abundant crop, how can that food be harvested, donated and distributed during its shelf life? In many cases the decision to donate or not donate is made before a discussion of logistics even starts. There are thousands of farmers that donate each year to help those in need, but this is a small fraction of the available produce to donate. There is a real financial impact on donors to pack and prepare excess food for donation, and that is not a cost that all donors can bear. Many farmers are not eligible for the federal food donation tax deduction that lets qualified donors take an enhanced tax deduction when they donate nutritious food to nonprofits.

Feeding America and GCFD have been working with supporters in Congress and throughout the food industry to enact the America Gives More Act (H.R. 644), which would improve and expand federal tax incentives so that all donors, large or small, retailer, farmer, restaurant, or food manufacturer, can take an enhanced tax deduction when they donate excess food to a nonprofit.

Tax incentives that apply to all donors are one part of the solution. The other part is funding pilots to test the most efficient ways to capture and distribute fresh produce to clients. Our food banks have started to work with USDA on identifying grant programs that can serve several purposes: promote local food and rural development, promote fresh produce, and connect low income clients at food banks with more produce. We would love to work with Congress to identify how we could maximize the impact these grants could have on our ability to get more produce to our clients. Finally, in Illinois, we are also encouraging the development of an agricultural clearance program, similar to successful models in other states, including Ohio.

Thank you, again, for your thoughtful question.

KATE MAEHR,
Executive Director and CEO,
Greater Chicago Food Depository.

Questions Submitted by Hon. Alma S. Adams, a Representative in Congress from North Carolina

Question 1. How do your organizations partner with other nonprofits and agencies to provide support to the hungry as they struggle to make ends meet?

Question 2. What percentage of the individuals and households that you serve include children?

Question 3. Do you all work with agriculture co-ops to provide affordable, locally-grown food in to the hungry your communities?

Answer. 1–3 Thank you for your questions Representative Adams. Both nationally and locally, partnerships throughout the nonprofit community and with local social service agencies play a key role in our distribution of 3.8 million meals to 46.5 million clients a year. The 200 food banks in the Feeding America network provide food to 46,000 agencies. The agencies that partner with our food banks are all independent nonprofits, and data from the Feeding America Hunger in America 2014

shows that 62% are faith based. Agency partnership and development is a key facet of our work to help clients. Our food banks work with agencies to help develop programs to address specific client needs, including after school and summer seals, senior meals, school pantries, and snap outreach. Our food banks also work with agencies to help with capacity improvements and other ideas to increase services to clients.

In Cook County, the Greater Chicago Food Depository provides food through a network of 650 food pantries, soup kitchens, shelters and programs. Beyond providing food, we are committed to investing in the future of our member agencies with training and grant opportunities so they can grow stronger in their community-level response to hunger.

According to Feeding America's Hunger in America 2014 study, our network is serving 46.5 million Americans, including 12 million children and seven million seniors. Of the households served by the Feeding America network, 32% of client households have at least one child. Additionally, 26% of the households we serve have at least one senior, and 6% of the households we serve have at least one child and senior.

In Cook County, the Greater Chicago Food Depository's network serves 812,100 individuals each year, including 164,500 children and 125,200 seniors. Of the households served by the Food Depository, 39% include at least one child and 36% include at least one senior.

Both the Feeding America network and the Greater Chicago Food Depository have made increasing the amount of fresh produce distributed to our clients a key part of our strategic plans over the last decade. Our food bank network currently moves about 1 billion lbs. of produce annually to all counties in the United States and Puerto Rico, about 600 million lbs. of which is donated from produce farmers, packers and/or shippers. Getting fresh fruits and vegetables to the hungry people that need it is a huge focus for us. Of the 67 million pounds of food distributed by the Greater Chicago Food Depository last year, more than ⅓ was fresh produce. As a food bank network, we have set an aggressive goal of closing the national meal gap (distributing enough meals so that every individual in the United States that is in need of a meal has access to one). With the current national meal gap being 8.7 million meals, we will have to grow by almost 90%, about 40% of which will come from fresh produce. In our most recent research study, 55% of the people we serve said that fresh fruits and vegetables were the most desired item not received. This work to increase produce includes working with agriculture co-ops locally and regionally to identify opportunities to redirect excess produce to our food banks to help those in need. We know from *Hunger in America 2014* that produce is an item that our clients want more of but are not able to afford in many cases. In Illinois, food banks have worked directly with farmers who grow food to donate, but these partnerships do not come close to the potential of our state to produce food for people in need. We are encouraging the development of an agriculture clearance program similar to successful models in other states including Ohio.

However, there are challenges in obtaining increasing amounts of fresh produce to distribute to the 46.5 million Americans we serve each year. There is an enormous amount of food that is wasted in America each year, around 70 billion pounds. A significant portion of the amount of nutritious food wasted, 48 million pounds, is pre-production and includes fresh produce that is not donated from farmers and producers. Some of these challenges are logistic in nature—if a farmer has an abundant crop, how can that food be harvested, donated and distributed during its shelf life? In many cases the decision to donate or not donate is made before a discussion of logistics even starts. There are thousands of farmers that donate each year to help those in need, but this is a small fraction of the available produce to donate. There is a real financial impact on donors to pack and prepare excess food for donation, and that is not a cost that all donors can bear. Many farmers are not eligible for the Federal food donation tax deduction that lets qualified donors take an enhanced tax deduction when they donate nutritious food to nonprofits.

Feeding America and GCFD have been working with supporters in Congress and throughout the food industry to enact the America Gives More Act (H.R. 644), which would improve and expand federal tax incentives so that all donors, large or small, retailer, farmer, restaurant, or food manufacturer, can take an enhanced tax deduction when they donate excess food to a nonprofit.

Tax incentives that apply to all donors are one part of the solution. The other part is funding pilots to test the most efficient ways to capture and distribute fresh produce to clients. Our food banks have started to work with USDA on identifying grant programs that can serve several purposes: promote local food and rural development, promote fresh produce, and connect low income clients at food banks with more produce. We would love to work with Congress to identify how we could maxi-

mize the impact these grants could have on our ability to get more produce to our clients.

Response from Dustin Kunz, Research Manager; Salesforce Administrator and Developer, Texas Hunger Initiative, Baylor University, Waco, TX

Question Submitted by Hon. Austin Scott, a Representative in Congress from Georgia

Question. Thank you for appearing before the Committee today. I'd like to focus on the issue of fighting hunger in rural America, which is of particular interest to the Eighth district of Georgia.

There are a lot of committed individuals and groups in the charitable sector in my district who are working to tackle this issue head on. One such group is Second Harvest of South Georgia. Second Harvest is the regional food bank that serves 30 counties in South Georgia, 12 of which are in my district. The area they serve has the highest rates of food insecurity in Georgia and among the highest rates of food insecurity in the nation. They also work collaboratively with a network of 450 partner charities in their service counties. I have made several trips to their facility and always enjoy the opportunity to see the good work they do. The challenges they face in confronting hunger in rural America differ in many ways from the challenges faced by their urban counterparts. This reality is another reminder that one size fits all solutions will ultimately not accomplish our goals of serving individuals and families in need and helping lift people out of poverty.

Mr. Kunz and Mr. Webb, I'd like to hear some of your perspectives on the challenges of fighting hunger in rural America. How do these challenges differ from those in urban areas? Where might rural organizations be seeing gaps for the clients they're serving? What are some of the ways your organizations are working to meet the needs of rural Americans, such as lack of adequate transportation? What are some practical solutions to get the food directly to those in rural areas who need it?

Answer. Recent Census Bureau data indicate the shifting of poverty concentration to suburban and rural areas: "between 2000 and 2010, people living in areas outside of metropolitan areas saw the largest percentage point increase in the proportion of people living in poverty areas."[1] Patterns of farm crisis, unemployment, seasonal employment, lack of jobs, low-paying jobs that do not provide benefits, systemic oppression and long-term connection between race and poverty all contribute to this reality.

The Census defines Urban Areas as densely developed places with 50,000 or more people. Urban clusters are developed regions with at least 2,500 people, but less than 50,000. Any other region is classified as rural.[2] In Texas, there are 30 high poverty counties located in rural areas. In urban areas, children are often concentrated in certain neighborhoods, but food-insecure children in rural areas may be scattered throughout a large area; therefore, lack in coordinated services and issues of transportation and communication are exacerbated. The unique reality of rural poverty requires a collaborative, public-private infrastructure to increase the capacity of rural communities. Fortunately, for many rural communities, collaboration and interagency cooperation is normal and necessary due to a shortage of funds to support services and programs. Collaboration with congregations is also common because faith-based organizations sometimes provide services to fill in the gaps.[3]

We convene community organizations in rural communities to increase access points for public benefits including SNAP and the summer meals program. Schools, nonprofits, and congregations play a crucial role in the implementation of summer meals programs. Through Census and state agency program data, we denote where summer meals sites are located and where the gaps in coverage are so that we can strategically maximize on the distribution and capacity of sites to serve meals to children in these rural communities. Similarly, in order to increase access points for public benefits across the state, we recruit and support community-based organizations to equip them to assist Texans in applying for the benefits as part of a larger continuum of care. We target Census tracts in rural areas with high levels of poverty to maximize our reach in the areas that need it most.

---

[1] *Changes in Areas with Concentrated Poverty: 2000 to 2010 http://www.census.gov/content/dam/Census/library/publications/2014/acs/acs-27.pdf.*

[2] Urban and Rural Classification: *http://www.census.gov/geo/reference/urban-rural.html.*

[3] *The Handbook of Community Practice* (2005) p. 402–417 entitled "Rural Community Practice: Organizing, Planning, and Development."

Questions Submitted by Hon. Alma S. Adams, a Representative in Congress from North Carolina

Question 1. How do your organizations partner with other nonprofits and agencies to provide support to the hungry as they struggle to make ends meet?

Answer. THI regional staff, along with subcontracted partners, work to increase the capacities of local communities and community-based organizations to provide application assistance to support the enrollment of eligible clients for benefits including SNAP, Temporary Assistance for Needy Families (TANF), Medicaid coverage, and the Children's Health Insurance Program (CHIP). THI staff and its partners leverage existing community linkages to recruit and support this state-wide network of organizations that include health services, nutritional services, family services, and faith-based organizations. This state-wide public-private partnership bridges local, state, and federal resources to maximize the efficiency and targeted reach of the program.

THI regional staff also work throughout Texas to increase awareness of and participation in federal child nutrition assistance programs including School Breakfast, Summer and Afterschool Meals. The administration and coordination of child nutrition programs also present unique opportunities for public-private partnerships. They are building networks for regional and local collaboration with school districts, service agencies, nonprofits, faith-based communities, and local governments/municipalities, as well as active meal program sponsors and sites so that funding, volunteers, and space are pooled and maximized for the most eligible children. These partnerships encourage family and community involvement and empower local communities.

Further, THI and its partners are developing local coalitions across the state that serve as a mechanism for local communities to operate strategically to assess the structure and procedures of food delivery systems, identify resources and gaps, and implement action plans in order to provide healthy and nutritious food to an increased number of people. These local coalitions are the foundation of THI's community engagement model.

Question 2. What percentage of the individuals and households that you serve include children?

Answer. In Texas, it is estimated that 27 percent of children live in households experiencing food insecurity, which is higher than the national average (21%) (Feeding America, 2014). Further, in order to estimate the scope of at-risk students, researchers utilize free and reduced-price meal (FRP) eligibility data, which serves as a rough proxy for the number of children living in poverty because census poverty data isn't broken down by school/school district level. Fifty-one percent of U.S. public school children (Southern Education Foundation, 2015) and 61 percent of Texas public school children qualify for FRP meals (TDA, 2013–2014 NSLP Breakfast & Lunch Data). THI and its partners across the state have fostered innovative public-private partnerships to maximize the reach and efficiency of nutrition programs so that children and families who need the programs have access to them.

Question 3. Do you all work with agriculture co-ops to provide affordable, locally-grown food in to the hungry your communities?

Answer. The Texas Hunger Initiative works with many different organizations from widely varied sectors to form local, indigenous coalitions committed to food security in their own communities. While THI does not exercise control over these coalitions, we partner with them to provide backbone support: logistics, organizing, training, expertise, and evaluation. Several of these coalitions have made access to locally-grown food a priority, both for the nutritional benefit and for the boon to the very-local economy. These coalitions work with farmers markets and CSA's to ensure that they are resourced to accept SNAP and are aware of other programs ensure access to these markets. In Austin, a private foundation underwrote a grant to offer a SNAP-matching program for fresh fruits and vegetables at farmers markets, and several other coalitions are working with potential funders and innovative markets, and the Texas Hunger Initiative connects the dots between the USDA and other public entities with local coalitions, organizations, and markets.

Sources:

Feeding America. (2014). *Map the meal gap.http://www.feedingamerica.org/hunger-in-america/our-research/map-the-meal-gap/*.

Texas Hunger Initiative analysis of 2013–2014 NSLP Lunch and Breakfast Data, requested from the Texas Department of Agriculture.

Southern Education Foundation. (2015). *A new majority research bulletin: Low income students now a majority in the nation's public schools.* Retrieved from *http://www.southerneducation.org/Our-Strategies/Research-and-Publications/New-Major-*

ity-Diverse-Majority-Report-Series/A-New-Majority-2015-Update-Low-Income-Students-Now.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

(THE PAST, PRESENT, AND FUTURE OF SNAP: THE WORLD OF NUTRITION, GOVERNMENT DUPLICATION AND UNMET NEEDS)

WEDNESDAY, MAY 20, 2015

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON NUTRITION,
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The Subcommittee met, pursuant to call, at 2:05 p.m., in Room 1300, Longworth House Office Building, Hon. Jackie Walorski [Chairwoman of the Subcommittee] presiding.

Members present: Representatives Walorski, Gibbs, Hartzler, Benishek, Davis, Yoho, Abraham, Moolenaar, McGovern, Adams, Lujan Grisham, Aguilar, Ashford, and DelBene.

Staff present: Anne DeCesaro, Carly Reedholm, Haley Graves, Jackie Barber, Jessica Carter, Mary Nowak, Mollie Wilken, Ted Monoson, Lisa Shelton, and Nicole Scott.

OPENING STATEMENT OF HON. JACKIE WALORSKI, A REPRESENTATIVE IN CONGRESS FROM INDIANA

The CHAIRWOMAN. Welcome to the next hearing in our review of the past, present, and future of SNAP. Today we will discuss and examine the government's duplication and inefficiencies of the Supplemental Nutrition Assistance Program. Taxpayers and recipients deserve a thoughtful and thorough review of SNAP. They also deserve to know its relationship with other nutrition programs and how that affects families around the country, as well as taxpayers.

I want to stress the importance of today's hearing and the Committee's goal to ensure SNAP has a clear mission and operates accordingly. That goal should help Americans; both helping to recognize no one should go hungry, and highlighting the value of helping to get people out of poverty.

As we heard in the last hearing, our government is not alone in supporting the nutritional needs of Americans. Today we will look inward at how government nutrition assistance programs operate. According to GAO, there are at least 18 different nutrition assistance programs, and together they spend roughly over $100 billion annually of taxpayer funds.

While SNAP accounts for $3 out of $4 of that today, it is not alone in providing nutrition assistance. Over the past several decades, numerous programs have been created to target various pop-

ulations with little to no regard in coordinating with existing programs or concern for overlap. This has created a web of programs, causing confusion for recipients who are trying to feed their families and difficulty for states trying to administer these programs.

The reality is that a majority of SNAP households are also eligible and receive benefits from at least one of the other major nutrition assistance programs. In some cases, multiple programs might be funding the same meals. For example, recipients may receive USDA commodity food packages through the Commodity Supplemental Food Program while also receiving SNAP benefits.

What impact does that have on a family? Is there a duplication while there are still needs not being met? We want to ensure every person has access to food, and this overlap could be causing confusion in the system, in some cases overlooking individuals altogether who do not have access to any of these programs.

Our job today is to figure out where the overlap, duplication, or inefficiency exists. Then we can expertly target our limited resources to places with potential unmet needs or weaknesses in the system. Let's continue this conversation and begin to understand how to best serve all families because we can always do better.

I thank all of our witnesses for being here with us today and look forward to their testimony.

[The prepared statement of Mrs. Walorski follows:]

PREPARED STATEMENT OF HON. JACKIE WALORSKI, A REPRESENTATIVE IN CONGRESS FROM INDIANA

Welcome to the next hearing in our review of the *Past, Present, and Future of SNAP*. Today we'll discuss and examine the government's duplication and inefficiencies of the Supplemental Nutrition Assistance Program. Taxpayers and recipients deserve a thoughtful and thorough review of SNAP. They also deserve to know its relationship with other nutrition programs and how that affects families around the country, as well as taxpayers.

I want to stress the importance of today's hearing and the Committee's goal to ensure SNAP has a clear mission and operates accordingly. That goal should help Americans; both helping to recognize no one should go hungry, and highlighting the value of helping people get out of poverty.

As we heard in the last hearing, our government is not alone in supporting the nutritional needs of Americans. Today, we'll look inward at how government nutrition assistance programs operate. According to GAO, there are at least 18 different nutrition assistance programs—and together—they spend over $100 billion annually of taxpayer funds. While SNAP accounts for $3 out $4 of that today, it's not alone in providing nutrition assistance.

Over the past several decades, numerous programs have been created to target various populations with little to no regard in coordinating with existing programs or concern for overlap. This has created a web of programs, causing confusion for recipients who are trying to feed their families and difficulties for states trying to administer these programs.

The reality is that a majority of SNAP households are also eligible and receive benefits from one of the other major nutrition assistance programs. In some cases, multiple programs might be funding the same meals. For example, recipients may receive USDA commodity food packages through the Commodity Supplemental Food Program, while also receiving SNAP benefits. What impact does that have on a family? Is there duplication while there are still needs that are not being met? We want to ensure every person has access to food and this overlap could be causing confusion in the system, in some cases overlooking individuals altogether who don't have access to any programs.

Our job today is to figure out where overlap, duplication, or inefficiency exists. Then, we can more expertly target our limited resources to places with potential unmet needs or weaknesses in the system. Let's continue this conversation and begin to understand how to best serve all families, because we can always do better.

I thank all of our witnesses for being here with us today and look forward to their testimony.

The CHAIRWOMAN. I would now like to recognize Ranking Member McGovern for his opening statement.

OPENING STATEMENT OF HON. JAMES P. MCGOVERN, A REPRESENTATIVE IN CONGRESS FROM MASSACHUSETTS

Mr. MCGOVERN. Thank you very much, Chairwoman Walorski, and I want to welcome all the witnesses who are here to testify.

Today's hearing is supposed to focus on duplication and unmet needs, and let me just begin with duplication. Duplication implies that the same people are getting the same benefit twice, and my experience has been that this is not a problem. Our food and nutrition programs are designed to meet the unique needs of the diverse populations that they serve.

Let's take senior citizens, for example. Meals on Wheels serves homebound senior citizens, while CSFP and SNAP provide food assistance to those who are more mobile. And so even within the senior population there are distinct needs, unique needs, that these various programs meet. So, even within the same population, there are different needs.

I am sad to say that in this country today there are still too many people who are hungry, and there are a lot of unmet needs in our food and nutrition programs. During the school year, the School Lunch and Breakfast Program do a good job of providing nutritious meals to kids, but in summer, only a fraction of the kids who receive free and reduced-price meals have access to summer meals.

Let me also just say something that I think should be crystal clear to all of my colleagues here. The SNAP benefit is too low. If you want to talk about an unmet need, there it is. When I talk to food banks and food pantries, they talk about an uptick in utilization by people who are in need. The benefit doesn't last the entire month. It is too small to meet the nutrition and food needs of the average family. So if we want to talk about a reform, we ought to be talking about a benefit that actually meets the need.

I would like to have a discussion about how we could put food banks out of business. And one of the ways to do that is to make sure that those who need a benefit like SNAP actually have an adequate benefit.

I want to make another point, and that is that one of my frustrations over the last few years is that Congress has been so focused on trying to demonize the program and finding some fault with the program, even when there is no fault. In fact, we have passed legislation that has actually made the situation worse. Last year's farm bill contained a lot of good things, but when it came to SNAP, it cut the program. And many of us, especially those of us in LIHEAP states, have seen the detrimental effect that it has had.

It is important for us to talk about how we could do better, but I don't think we should fool ourselves into believing that charities could pick up the slack or that somehow there are too many nutrition programs out there, therefore that is why we are not meeting the need. The fact of the matter is we are not meeting the need

because the government, in my opinion, is not adequately investing and responding to the real need that is out there.

So I thank the Chairwoman for giving me the time, and I look forward to hearing our witnesses.

The CHAIRWOMAN. Thank you, Mr. McGovern.

The chair would request other Members submit their opening statements for the record so the witnesses may begin their testimony and to ensure there is ample time for questions.

The chair would like to notify Members they will be recognized for questioning in order of seniority for Members who were here at the start of the hearing. After that, Members will be recognized in order of arrival. I appreciate Members' understanding.

Witnesses are reminded to limit their oral statements to 5 minutes. All of the written statements will be included in the record.

At this time, finally, I would like to welcome our witnesses to the table. Kay Brown, Director, Education, Workforce, and Income Security, U.S. Government Accountability Office; Angela Rachidi, Research Fellow, American Enterprise Institute; Joe Nader, Executive Chef, Ford Field, and Volunteer Chef for Share Our Strength's Cooking Matters; Sherry Tussler, Executive Director, Hunger Task Force, Milwaukee, Wisconsin.

Ms. Brown, please begin when you are ready.

STATEMENT OF KAY E. BROWN, DIRECTOR, EDUCATION, WORKFORCE, AND INCOME SECURITY, U.S. GOVERNMENT ACCOUNTABILITY OFFICE, WASHINGTON, D.C.

Ms. BROWN. Thank you, Chairwoman Walorski, Ranking Member McGovern, and Members of the Subcommittee. Thank you for inviting me here today to discuss federally funded nutrition assistance programs. I will provide an overview of the programs and an update on the status of our 2010 recommendations on program overlap.

Starting with how much the programs cost, in Fiscal Year 2014, the Federal Government spent more than $100 billion on 18 Federal domestic food and nutrition assistance programs. Program spending ranged from approximately $5 million for a community grant program, to more than $74 billion on SNAP. The five largest food assistance programs—SNAP, School Lunch, WIC, School Breakfast, and the Child and Adult Food Care Program—accounted for 96 percent of total spending of the 18 programs. SNAP is by far the largest at more than 70 percent of the overall total. Four of the five are entitlement programs. WIC is not.

Since we issued our report in 2010, Federal spending on these programs has increased by about $40 billion, primarily due to increased spending on SNAP in response to the economic crisis.

Now, next, do they work? In 2010 we found that participation in seven of the 18 programs, including four of the five largest, was associated with positive outcomes. These outcomes are consistent with program goals such as raising the level of nutrition among low-income households, safeguarding the health and well-being of the nation's children, and strengthening the agricultural economy.

Regarding the remaining 11 programs, we found that little was known about their effectiveness because they had not been well studied.

So why do we have multiple programs? These 18 programs provide assistance through a decentralized system that involves multiple providers. Three Federal agencies—USDA, HHS, and FEMA—numerous state government agencies, and many different types of local providers, including county governments and private nonprofit organizations, all play a role.

This decentralized network emerged piecemeal over many decades to address a variety of targeted needs. For example, WIC dates back to the 1960s when a White House conference recommended focusing on the nutritional needs of low-income pregnant women and preschool children. The Emergency Food Assistance Program was created to utilize excess Federal food inventories and assist states with storage costs while helping the needy.

The advantage of having multiple programs is that they can help increase access to food for vulnerable populations. This diversity allows individuals to participate in programs that best meet their needs, whether it be picking up a bag of groceries from a food bank or completing the application process to receive SNAP benefits.

However, this structure shows signs of program overlap; that is, multiple programs provide comparable benefits to similar populations but are managed separately. For example, six programs provide food to eligible children in settings outside the home, multiple programs provide food targeted to older adults, and several programs provide groceries and prepared meals to needy individuals.

This overlap can create unnecessary work, waste administrative resources, and result in a potentially inefficient use of Federal funds. Like other social programs, most food assistance programs have specific and often complex administrative procedures that Federal, state, and local organizations must follow, which require staff time and resources.

Now, about our recommendations: In 2010 we recommended the Secretary of Agriculture identify and develop methods for addressing potential inefficiencies among food assistance programs and reducing unnecessary overlap, particularly among the smaller programs. Although USDA has taken some steps in response to our study and a related study by its Inspector General, we believe that further action is needed. For example, we previously suggested that USDA convene a group that includes program representatives, state officials, and local providers. This group could develop proposals for cost-effective approaches to address these inefficiencies.

In conclusion, we believe it is possible to improve the efficiency of the nutrition assistance structure while still ensuring that those who are eligible can receive the assistance they need.

This concludes my statement. I would be happy to answer any questions.

[The prepared statement of Ms. Brown follows:]

PREPARED STATEMENT OF KAY E. BROWN, DIRECTOR, EDUCATION, WORKFORCE, AND INCOME SECURITY, U.S. GOVERNMENT ACCOUNTABILITY OFFICE, WASHINGTON, D.C.

Domestic Food Assistance—Multiple Programs Benefit Millions of Americans, but Additional Action Is Needed to Address Potential Overlap and Inefficiencies

GAO Highlights

Highlights of GAO–15–606T (*http://www.gao.gov/products/GAO-15-606T*), a testimony before the Subcommittee on Nutrition, Committee on Agriculture, House of Representatives.

Why GAO Did This Study

The Federal Government spends billions of dollars each year on food and nutrition programs. USDA administers most of these programs.

This testimony provides: (1) an overview of domestic food assistance programs, and (2) an update on past GAO recommendations in this area. It is based largely on an April 2010 report (GAO–10–346 (*http://www.gao.gov/products/GAO-10-346*)) and a 2015 update on actions USDA has taken to address that report's recommendation. To develop the findings for the 2010 report, GAO analyzed program spending data and studies on program effectiveness, reviewed relevant Federal laws and regulations, interviewed relevant experts and officials, and conducted site visits in five states, selected for diversity in geography and service delivery models. For the 2015 update, GAO analyzed Federal spending and program participation data.

What GAO Recommends

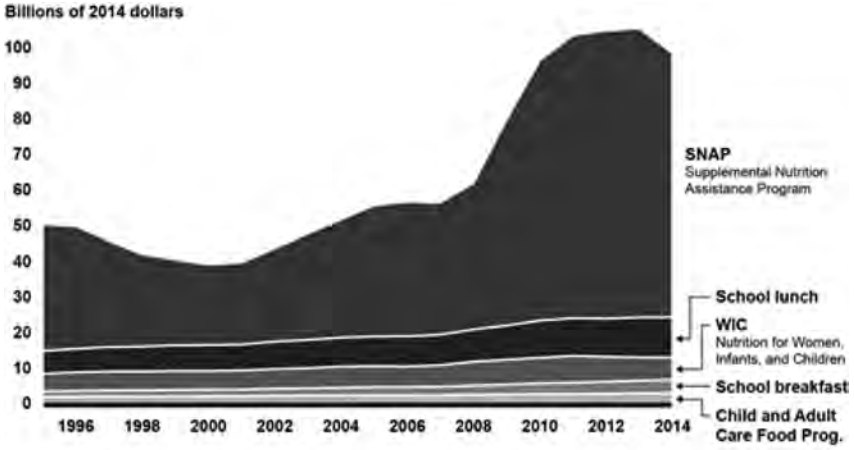
In April 2010, GAO recommended that the Secretary of Agriculture take action to address potential inefficiency and overlap among food assistance programs while ensuring those who are eligible receive the assistance they need. USDA has taken some action but has not fully addressed this recommendation. GAO believes more can be done in response to this recommendation.

View GAO–15–606T (*http://www.gao.gov/products/GAO-15-606T*). For more information, contact Kay E. Brown at (202) 512–7215 or *brownke@gao.gov*.

What GAO Found

The Federal Government spent over $100 billion on 18 domestic food assistance programs in Fiscal Year 2014. Federal spending on the five largest food assistance programs has increased over the last 20 years, driven largely by increases in the Supplemental Nutrition Assistance Program (SNAP) following the recession of 2007–2009.

Federal Spending on the Five Largest Programs from Fiscal Year 1995 to 2014, Adjusted to 2014 Dollars



Source: GAO analysis of U.S. Department of Agriculture (USDA) data on program costs. | GAO–15–606T.

Federal food assistance is provided through a decentralized system that involves multiple Federal, state, and local organizations. The complex network of 18 food assistance programs, administered by three Federal agencies, emerged piecemeal over several decades to meet various needs. In 2010, research GAO reviewed suggested that participation in seven of these programs was associated with positive outcomes, such as improving nutrition among low-income households. Little was known about the effectiveness of the remaining 11.

In 2010, GAO recommended that USDA identify and develop methods for addressing potential inefficiencies among food assistance programs and reducing overlap among the smaller programs. GAO found that some programs provide comparable benefits to a similar population, but are managed separately, which is a potentially inefficient use of Federal funds. In 2013, USDA commissioned a study on the feasibility and potential cost to assess the extent of overlap and duplication among these programs and, based on the results, decided to study the impact of participation in multiple food assistance programs on the nutritional status of participants. While such a study will provide important information, it does not address GAO's recommendation. GAO continues to believe that further action is needed. For example, USDA could convene a group of experts to discuss potential inefficiencies and overlap, such as administrative costs across multiple agencies, and develop proposals to address them.

Chairwoman Walorski, Ranking Member McGovern, and Members of the Subcommittee:

Thank you for inviting me to discuss federally funded domestic food assistance programs. The Federal Government spends billions of dollars every year on food and nutrition assistance programs, which benefit millions of Americans. The nation's largest food assistance program—the Supplemental Nutrition Assistance Program (SNAP)—provided more than $74 billion in benefits in Fiscal Year 2014 to over 46 million people in an average month. The U.S. Department of Agriculture (USDA) administers most of these programs. This testimony provides: (1) an overview of domestic food assistance programs, and (2) an update on the recommendation we made in this area.

My testimony today is largely based on a report we issued in April 2010 that examined domestic food assistance programs.[1] To develop the findings for our 2010 report, we analyzed food security and program spending data, reviewed studies on program effectiveness, reviewed relevant Federal laws and regulations, interviewed relevant experts, and interviewed government officials and local food assistance providers from five states (California, Illinois, Maryland, Oregon, and Texas).The states were selected to take into account geographic variation and diversity in the group of local agencies providing program services. To identify federally funded domestic food assistance programs for our 2010 report, we searched the Catalog of Federal Domestic Assistance to identify relevant programs, obtained supplementary information from Federal agencies, and reviewed related Federal legislation. The programs selected focused primarily on providing food and nutrition assistance to low-income individuals and households. This statement also provides updated information on Federal spending and program participation in the 18 food assistance programs that we identified in our 2010 report. More details on our scope and methodology can be found in the issued report.

The work this statement is based on was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The Federal Government Spent More Than $100 Billion on 18 Food Assistance Programs in Fiscal Year 2014

The Federal Government spent more than $100 billion in Fiscal Year 2014 on 18 domestic food and nutrition assistance programs. Programs' spending amounts ranged from approximately $5 million on the Community Food Projects Competitive Grants Program to more than $74 billion on SNAP (see *Table 1*). In our 2010 report, we found that the Federal Government spent approximately $62.7 billion on these programs in Fiscal Year 2008.

---

[1] GAO, *Domestic Food Assistance: Complex System Benefits Millions, but Additional Efforts Could Address Potential Inefficiency and Overlap among Smaller Programs,* GAO–10–346 (*http://www.gao.gov/products/GAO-10-346*) (Washington, D.C.: April 15, 2010).

Table 1: Federal Spending on 18 Food and Nutrition Assistance Programs in Fiscal Year 2014

Programs and funding streams	Fiscal Year 2014 spending (in millions)
SNAP	74,596.9
National School Lunch Program	11,289.7
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	7,144.8
School Breakfast Program	3,716.1
Child and Adult Care Food Program	3,111.9
Nutrition Assistance for Puerto Rico[a]	1,902.8
Elderly Nutrition Program: Home-Delivered and Congregate Nutrition Services[b, c]	811.2
The Emergency Food Assistance Program	635.9
Summer Food Service Program	464.4
Commodity Supplemental Food Program	180.9
Fresh Fruit and Vegetable Program	167.7
Emergency Food and Shelter National Board Program[c]	120.0
Food Distribution Program on Indian Reservations	119.1
Grants to American Indian, Alaska Native, and Native Hawaiian Organizations for Nutrition and Supportive Services[c]	26.2
Senior Farmers' Market Nutrition Program	20.6
WIC Farmers' Market Nutrition Program	19.6
Special Milk Program	10.7
Community Food Projects Competitive Grants Program[c]	5.0
Total	**104,343.5**

Source: GAO analysis of Fiscal Year 2016 Congressional budget justifications for USDA's Food and Nutrition Service, USDA's National Institute of Food and Agriculture, HHS' Administration on Aging, and DHS' Federal Emergency Management Agency. | GAO–15–606T.

Note: Unless otherwise noted, funding amounts represent Fiscal Year 2014 obligations.

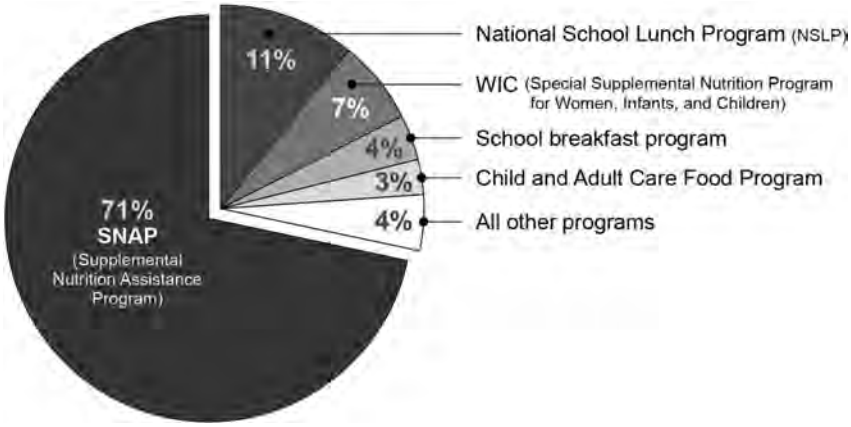
[a] Total includes funding provided by the American Recovery and Reinvestment Act of 2009.

[b] The Elderly Nutrition Program total also includes funding for the Nutrition Services Incentive Program.

[c] This figure is a Fiscal Year 2014 appropriation reported by the agency.

In Fiscal Year 2014, the five largest food assistance programs—SNAP, the National School Lunch Program, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), the School Breakfast Program, and the Child and Adult Care Food Program—accounted for 96 percent of total spending on the 18 programs. SNAP, the largest program, accounted for more than 70 percent of the overall spending total (see *Fig. 1*). The largest five food assistance programs are all entitlement programs—except for WIC—meaning that, by law, they must provide benefits to all applicants that meet eligibility requirements. This means that participation and benefits for these programs are not capped, unlike programs that are appropriated specific spending amounts, such as the Commodity Supplemental Food Program or the Elderly Nutrition Program.

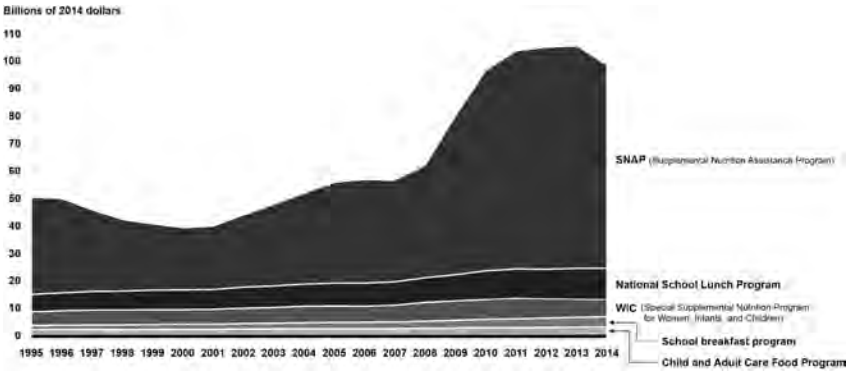
Figure 1: Percentage of Food Assistance Spending by Program in Fiscal Year 2014



Source: GAO analysis of Fiscal Year 2016 Congressional budget justifications to the relevant agencies. | GAO–15–606T.

Federal spending on the food assistance programs has increased by about $40 billion since we issued our 2010 report, primarily due to increased spending on SNAP. *Figure 2* shows Federal spending on the five largest food assistance programs over the last 20 years. Spending on SNAP increased substantially following the recession of 2007–2009. Between Fiscal Year 2007 and Fiscal Year 2013, Federal spending on SNAP more than doubled, due primarily to increased program participation following the recession. Over this time period, the number of SNAP participants almost doubled from about 26 million to 48 million. In addition, part of the growth in spending can be attributed to temporarily higher benefit amounts established by the American Recovery and Reinvestment Act of 2009 (Recovery Act).[2] Spending on SNAP recently declined by about nine percent from Fiscal Year 2013 to Fiscal Year 2014 as the number of participants decreased and the temporary increase in benefits expired.

Figure 2: Federal Spending on the Five Largest Food Assistance Programs from Fiscal Year 1995 to 2014, Adjusted to 2014 Dollars



[2] Pub. L. No. 111–5, 123 Stat. 115. The Recovery Act provided more than $21 billion for food assistance programs. These funds included a USDA estimated $20.1 billion for SNAP, in the form of increased benefits and state administrative expenses; $500 million for WIC; $100 million for equipment assistance for child nutrition programs; $150 million for The Emergency Food Assistance Program; $100 million for the Emergency Food and Shelter National Board Program; and $100 million for the Elderly Nutrition Program and Grants to American Indian, Alaska Native, and Native Hawaiian Organizations for Nutrition and Supportive Services.

Source: GAO analysis of U.S. Department of Agriculture (USDA) data on program costs. | GAO–15–606T.

Federal food assistance programs provide different types of food benefits to address a variety of needs through a decentralized service delivery structure of Federal, state, and local agencies and nonprofit organizations. In our 2010 report, we identified 18 food assistance programs administered by three Federal agencies. Fifteen of the programs are administered by USDA, one program is administered by the Department of Homeland Security's (DHS) Federal Emergency Management Agency, and two programs are administered by the Health and Human Services' (HHS) Administration on Aging (see *Table 2*).

Table 2: Selected Federal Food and Nutrition Assistance Programs, by Agency

Program	Target population	Benefit type	Participation (approx.)[a]
		USDA	
Child and Adult Care Food Program	Children in certain nonresidential child care centers, family, or group day care; children in after school programs in low-income areas, or residing in emergency shelters; and chronically impaired disabled adults and persons 60 years or older in adult day care centers.	Reimburse local providers (child care centers, adult day care centers, *etc.*) for meals and snacks served.	An average of 3.6 million children and adults were served daily in Fiscal Year 2014.
Commodity Supplemental Food Program	Low-income persons 60 years or older. Low-income pregnant, postpartum, and breastfeeding women, infants, children up to age 6 who were receiving benefits as of February 6, 2014 can continue to receive assistance until they are no longer eligible.	Supplemental foods, in the form of USDA commodities, are provided in food packages to individuals.	An average of 573,703 people were served monthly in Fiscal Year 2014, including 9,996 women, infants, and children, and 563,707 elderly participants.
Community Food Projects Competitive Grant Program	Low-income individuals in participating communities.	Matching grants made to organizations to plan and implement projects to improve access of low-income community members to food/nutrition, increase the self-reliance of communities in providing for their own needs, and promote comprehensive responses to local food, farm, and nutrition issues.	26 projects were funded in Fiscal Year 2013.
Food Distribution Program on Indian Reservations	American Indian and non-Indian households that reside on a reservation and Indian households living in an otherwise designated area, and recognized as having inadequate income and resources.	Food is provided to qualifying households.	An average of 85,400 participants were served monthly in Fiscal Year 2014.
Fresh Fruit and Vegetable Program	Elementary school children in designated schools with a high percentage of students eligible for free or reduced priced meals.	Reimburse local providers (elementary schools) for fresh fruit and vegetable snacks served free to students outside of breakfast or lunch periods.	Students in more than 7,100 schools during the 2011–2012 school year.
National School Lunch Program	Students from families with incomes below 130 percent of the Federal poverty level (or from families receiving SNAP) qualify for free meals, and students from families with incomes below 185 percent of the Federal poverty level qualify for reduced price meals.	Cash grants and food donations are provided to reimburse local providers (schools) for meals and snacks served. Schools must agree to serve free and reduced price meals to eligible children.	An average of 30.3 million students were served daily in Fiscal Year 2014.

Table 2: Selected Federal Food and Nutrition Assistance Programs, by Agency—Continued

Program	Target population	Benefit type	Participation (approx.)[a]
Nutrition Assistance for Puerto Rico	Needy persons residing in the Commonwealth of Puerto Rico.	Benefits provided to households or individuals for food purchase through an electronic benefit transfer.	An average 1.35 million individuals were served monthly in Fiscal Year 2014.
School Breakfast Program	Eligible children in schools and residential child care institutions. Children whose families meet income eligibility guidelines qualify for free or reduced price breakfasts.	Reimburse local providers (schools and residential child care institutions) for breakfasts served.	An average of 13.5 million students were served daily in Fiscal Year 2014.
Senior Farmers' Market Nutrition Program	Low-income seniors.	Benefits can be used to purchase fresh fruits, vegetables, and herbs at authorized farmers' markets, roadside stands, and community supported agriculture programs.	835,795 low-income seniors were served in Fiscal Year 2013.
Special Milk Program	Children in schools, high school grade or under, childcare institutions, and similar nonprofit institutions that do not participate in other Federal meal service programs, including the National School Lunch or School Breakfast Programs.	Formula grant, reimbursing cost of milk for children in schools, camps, and other programs that do not participate in other child nutrition programs.	3,868 schools, non-residential child care institutions, and summer camps participated and 49.9 million ½ pints were served in Fiscal Year 2014.
Summer Food Service Program	Children from needy areas during summer break or when schools are closed for vacation.	Reimburse local providers (schools, government agencies, and nonprofit organizations) for meals and snacks served in programs during breaks in school year.	During July 2014, 2.63 million children participated on an average day.
Supplemental Nutrition Assistance Program (SNAP)	Low-income households with gross income at or below 130 percent of Federal poverty level or net income at or below 100 percent of the poverty level and with limited resources.	Benefits provided to households through electronic debit card for food purchase in participating retail stores.	An average of 46.3 million people were served monthly in Fiscal Year 2014.
The Emergency Food Assistance Program	Needy individuals, such as those who may be homeless or participate in welfare programs.	Commodity foods are distributed through state agencies to food banks and other agencies, which provide food to local organizations, such as soup kitchens and food pantries, or directly provide the foods to needy households.	USDA entitlement and bonus commodity foods valued at over $566 million delivered to states for distribution in Fiscal Year 2014.

Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	Low-income pregnant, breastfeeding, and postpartum women, infants, and children to age 5 determined to be at nutritional risk.	Check, voucher, or electronic benefit transfer benefits provided to recipients pay for supplemental foods, and provide nutrition education and health care referrals for participants. Some state agencies distribute WIC foods directly to recipients through warehouses or home delivery.	An average of 8.3 million women, infants, and children were served monthly in Fiscal Year 2014.
WIC Farmers' Market Nutrition Program	WIC participants and those on a waiting list to receive WIC benefits (lower-income pregnant, breastfeeding, and postpartum women, infants, and children to age 5, who are at nutritional risk).	Coupons provided for purchase of fresh fruits and vegetables at certified farmers markets.	An average of 1.6 million women, infants, and children were served in Fiscal Year 2013.
DHS Federal Emergency Management Agency			
Emergency Food and Shelter National Board Program	Families and individuals in need of assistance.	Funds provided to private and independent nonprofit or public organizations (such as community action agencies, food banks, and food pantries) to provide emergency food and shelter to families and individuals in need of assistance.	More than 52 million meals were provided in Fiscal Year 2014.
HHS Administration on Aging			
Elderly Nutrition Program: Home-Delivered and Congregate Nutrition Services	Individuals 60 years of age and older and their spouses, especially those with the greatest social or economic need, and in certain cases, under age 60 if the individual is disabled and accompanies an older individual to meals. Special focus is given to those with greatest economic or social need, including low-income minorities and those residing in rural areas.	Supports the provision of nutritious meals (with education and other services) served in a congregate setting or delivered to the home, if individual is homebound.	More than 830,000 individuals received home-delivered meals and 1.6 million seniors received congregate meals in Fiscal Year 2013.
Grants to American Indian, Alaska Native, and Native Hawaiian organizations for nutrition and supportive services	American Indians, Alaska Natives, and Native Hawaiians who are at least 60 years old and their spouses (or those designated as "older Indian" by tribal authorities).	Grants are provided to tribal organizations to fund services including nutrition and supportive services, similar to those in the Elderly Nutrition Program: Home-Delivered and Congregate Nutrition Services.	25,192 American Indian elders received home-delivered meals and 52,137 received congregate meals in Fiscal Year 2013.

Source: GAO review of agency documents | GAO–15–606T.

[a] Participation information varies by program because some programs provide benefits to individuals while others provide a service or meal.

In 2010, research that we reviewed suggested that participation in seven of the programs, including four of the five largest—WIC, the National School Lunch Program, the School Breakfast Program, and SNAP—was associated with positive health and nutrition outcomes. These outcomes are consistent with most of these programs' goals, including raising the level of nutrition among low-income households, safeguarding the health and well-being of the nation's children, improving the health of Americans, and strengthening the agricultural economy. *Table 3* summarizes selected goals of these seven programs. In our 2010 report, we found that little was known about the effectiveness of the remaining 11 programs because they had not been well-studied.

Table 3: Summary of Selected Program Goals for Seven Food Assistance Programs

Program	Summary of selected program goals [a]
WIC	• Improve the mental and physical health of low-income pregnant, postpartum, and breastfeeding women, infants, and young children. • Prevent the occurrence of health problems, including drug abuse, and improve the health status of the target population. • Provide supplemental foods and nutrition education to target population.
National School Lunch Program	• Safeguard the health and well-being of the nation's children. • Encourage the domestic consumption of nutritious agricultural commodities and other foods.
School Breakfast Program	• Safeguard the health and well-being of the nation's children. • Encourage the domestic consumption of agricultural and other foods by assisting states to more effectively meet the nutritional needs of children. • Assist the states and the Department of Defense to initiate, maintain, or expand nonprofit breakfast programs in all schools that apply for assistance and agree to carry out a nonprofit breakfast program.
SNAP	• Raise the level of nutrition among low-income households. • Alleviate hunger and malnutrition in low-income households. • Increase food purchasing power for eligible households. • Strengthen the U.S. agricultural sector. • Encourage more orderly marketing and distribution of food. • Permit low-income households to obtain a more nutritious diet through normal channels of trade.
Elderly Nutrition Program: Home-Delivered and Congregate Nutrition Services	• Reduce hunger and food insecurity. • Promote socialization of older individuals. • Promote the health and well-being of older individuals by assisting such individuals to gain access to nutrition and other disease prevention and health promotion services to delay the onset of adverse health conditions resulting from poor nutritional health or sedentary behavior.
Nutrition Assistance for Puerto Rico	• Fund nutrition assistance programs for needy people in Puerto Rico.
Special Milk Program	• Encourage consumption of fluid milk by U.S. children in nonprofit schools, high school grade and under, that don't participate in Federal meal service programs. • Encourage consumption of fluid milk by U.S. children in nonprofit institutions devoted to the care and training of children, such as nursery schools and child care centers, that don't participate in Federal meal service programs. • Safeguard the health and well-being of the nation's children. • Encourage the domestic consumption of agricultural and other foods by assisting states to more effectively meet the nutritional needs of children.

Source: GAO review of relevant Federal laws and discussions with agency officials. | GAO–15–606T.

[a] Each Federal food and nutrition assistance program has its own set of program goals that were generally established in legislation. Program goals were compiled based on our review of Federal statutes or discussions with agency officials. Program goals were not always formally identified as program goals in the statutes, and in those cases we analyzed language from the statutes that we determined closely approximated program goals. While we determined that this list of program goals was sufficient for purposes of this report, we do not consider it a comprehensive list of all of the applicable goals for each program.

The System of Multiple Programs and Agencies That Provide Food Assistance Can Result in Overlap and Inefficiency

As we reported in 2010, Federal food assistance is provided through a decentralized system that involves multiple Federal, state, and local providers. Three Federal agencies, numerous state government agencies, as well as many different types of local providers—including county government agencies and private nonprofit organizations—play a role in providing Federal food assistance through the 18 programs we reviewed. This decentralized network of programs emerged piecemeal over many decades to address a variety of targeted needs. For example, WIC dates back to the 1960s when a White House Conference recommended that special attention be given to the nutritional needs of low-income pregnant women and preschool children. The Emergency Food Assistance Program was created to utilize excess Federal food inventories and assist states with storage costs while helping the needy, and the Emergency Food and Shelter National Board Program was established to provide assistance to the homeless.

During our 2010 review, agency officials and local providers told us that the multiple food assistance programs help to increase access to food for vulnerable populations. Specifically, some officials and providers told us that the diversity of food assistance programs can help ensure that individuals in need of assistance have access to at least one program. For example, some individuals may prefer to pick up a bag of groceries from a food bank rather than complete the application process to receive SNAP benefits. Individuals in rural areas may find it easier to receive food assistance through commodities from the Commodity Supplemental Food Program or other programs, as a lack of local grocery stores can make it difficult to use SNAP benefits. In addition, the availability of multiple programs within a community can also increase the likelihood that eligible individuals seeking benefits from one program will be referred to other appropriate programs.

However, the Federal food assistance structure—with its 18 programs—shows signs of program overlap, which can create unnecessary work and waste administrative resources, resulting in inefficiency. We found that some food assistance programs provide comparable benefits to a similar population, but are managed separately, which could be a potentially inefficient use of Federal funds. Specifically, we found that:

- Six programs—the National School Lunch Program, the School Breakfast Program, the Fresh Fruit and Vegetable Program, the Summer Food Service Program, the Special Milk Program, and the Child and Adult Care Food Program—all provide food to eligible children in settings outside the home, such as at school, day care, or summer day camps.
- The Commodity Supplemental Food Program and the Elderly Nutrition Program target older Americans.
- Individuals eligible for groceries through the Commodity Supplemental Food Program are generally eligible for groceries through the Emergency Food Assistance Program and for SNAP.
- The Federal Emergency Management Agency's Emergency Food and Shelter National Board Program and USDA's Emergency Food Assistance Program both provide groceries and prepared meals to needy individuals through local government and nonprofit entities.
- The Summer Food Service Program is similar to the Summer Seamless Option of the National School Lunch Program.

We have previously concluded that program overlap—having multiple programs provide comparable benefits to similar target populations—is an inefficient use of Federal funds.[3] Like other social service programs, most food assistance programs have specific and often complex administrative procedures that Federal, state, and local organizations follow to help manage each program's resources and provide assistance. Government agencies and local organizations dedicate staff time and resources to separately manage the programs even when a number of the programs are providing comparable benefits to similar groups and could potentially be consolidated. Previous GAO work indicates that combining programs could reduce administrative expenses by eliminating duplicative efforts, such as eligibility determination and data reporting.[4] Such actions could improve efficiency and save administrative

[3] GAO/HEHS–95–139 (*http://www.gao.gov/products/GAO/HEHS-95-139*).

[4] See GAO, *Food Assistance: USDA's Multiprogram Approach,* GAO/RCED–94–33 (*http://www.gao.gov/products/GAO/RCED-94-33*) (Washington, D.C.: Nov. 24, 1993).

dollars, but could also make it more difficult to achieve the goals of targeting service to specific populations.

In 2010, we recommended the Secretary of Agriculture identify and develop methods for addressing potential inefficiencies among food assistance programs and reducing unnecessary overlap among the smaller programs while ensuring that those who are eligible receive the assistance they need. More recently, the USDA Office of Inspector General determined that USDA's Food and Nutrition Service (FNS), which administers USDA's domestic food assistance programs, could potentially achieve cost savings by taking actions to eliminate duplication and overlap in its nutrition assistance programs.[5] The Office of Inspector General recommended that FNS document the requirements for conducting a study to determine the extent of overlap and duplication in its programs and determine whether additional funding is necessary to complete this work.

USDA partially addressed our recommendation by commissioning a study in 2013 on the feasibility and potential cost to assess the extent of overlap and duplication among all nutrition assistance programs administered by USDA. This study concluded that collecting information specifically targeting overlaps with smaller programs would not be cost-effective. As a result, USDA decided to focus on the nutritional impacts of overlap among the six largest programs: the Supplemental Nutrition Assistance Program, the National School Lunch Program, the Special Supplemental Nutrition Program for Women, Infants, and Children, the School Breakfast Program, the Child and Adult Care Food Program, and the Summer Food Service Program. The research proposed in the feasibility study will examine the impact of participation in multiple food assistance programs on the nutritional status of participants. While we agree such a study will provide important information, it does not address our recommendation. We believe that further action is needed to identify cost-effective approaches to address potential inefficiencies and unnecessary overlap among domestic food assistance programs. For example, we continue to believe that it would be beneficial for USDA to convene a group of experts (consistent with the Federal Advisory Committee Act) that includes representatives of the food assistance programs, state representatives, and local providers to discuss potential inefficiencies and overlap among the programs and develop proposals to address them. We believe that over time, such an effort could achieve cost savings.

In conclusion, the Federal Government spends billions of dollars every year to support a food assistance structure that benefits millions of Americans, but there are signs of potential overlap and inefficiency among its programs. While research indicates that the largest programs have positive outcomes consistent with their program goals, limited research on most of the smaller programs makes it difficult to determine whether these are filling an important gap or whether they are unnecessarily duplicating functions and services of other programs. To ensure the most efficient use of resources, it will be important for Federal agencies to explore cost-effective approaches for addressing potential inefficiencies and unnecessary overlap and duplication among all of the nation's food assistance programs.

Chairwoman Walorski, Ranking Member McGovern, and Members of the Subcommittee, this concludes my statement. I would be happy to answer any questions you might have.

GAO Contact and Staff Acknowledgements

If you or your staff have any questions about this testimony, please contact me at (202) 512–7215 or *brownke@gao.gov*. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. GAO staff who made key contributions to this testimony include Kathy Larin, Assistant Director; James Bennett, Julianne Hartman Cutts, Andrea Dawson, Alex Galuten, Kirsten Lauber, Rhiannon Patterson, Cathy Roark, and Kate van Gelder.

The CHAIRWOMAN. Thank you, Ms. Brown.

Dr. Rachidi, you may begin your testimony.

STATEMENT OF ANGELA K. RACHIDI, PH.D., RESEARCH FELLOW IN POVERTY STUDIES, AMERICAN ENTERPRISE INSTITUTE, WASHINGTON, D.C.

Dr. RACHIDI. Thank you, Chairwoman Walorski, Ranking Member McGovern, and other Members of the Subcommittee. Thank

[5] For more information, see: USDA Office of Inspector General, *Overlap and Duplication in Food and Nutrition Service's Nutrition Programs,* Audit Report 27001–0001–10 (June 2013).

you for the opportunity to testify this afternoon on government duplication and unmet needs in Federal food assistance programs.

My name is Angela Rachidi, and I am currently a Research Fellow in poverty studies at the American Enterprise Institute, or AEI. I recently joined AEI after spending almost a decade working for the New York City Human Resources Administration, or HRA, the past 6 of which I served as the Deputy Commissioner for Policy Research and Evaluation.

HRA is New York City's main social service agency and administers the Supplemental Nutrition Assistance Program, SNAP, and Emergency Food Program, along with other income support programs.

My comments today draw from this experience and focus on concerns about duplication, inefficiencies, and burdens that are created by the complexity of our food assistance programs.

The main points I will make are: first, duplication and inefficiencies do exist in these programs as they are currently administered. The decentralized nature of the current system means that knowledge about families is lost, and families are ultimately hurt because the system is not set up to treat them holistically and government dollars are wasted.

Before I address these specific points, however, I want to emphasize that the Federal Government's food assistance programs are an important part of our nation's safety net, and research shows that they do improve the health and nutrition of low-income families and provide very important needed support. However, given the large investments in food assistance programs at the Federal level, finding ways to increase efficiencies is critical.

As I said, first there are inefficiencies built into the current system. In New York City, food assistance programs are administered by different agencies, and the result is that each agency must determine eligibility and administer benefits separately. This means that the process can happen more than one time, depending on how many programs a family participates in.

And not only is this duplication inefficient from a government perspective, but it also affects these families. A sizeable number of households with low food security participate in more than one food assistance program, which can be unnecessarily burdensome on them when programs are not coordinated.

Some coordination across programs already exists, such as with categorical eligibility. However, I urge caution on some of these efforts as a recent GAO report on the School Meals Program found that errors are common. The interest in reducing the burden must be balanced with the need for quality control and program integrity.

In addition to eligibility determination, there are three other areas where coordination or consolidation may be appropriate, including setting nutrition standards, approving and monitoring retailers, and nutrition education programming.

At the Federal level, different nutrition guidelines and standards exist for different programs. Consolidating efforts around setting and monitoring nutrition guidelines should be explored. Approving and monitoring retailers in SNAP and the WIC Program also operate out of different levels of government. The extent to which this

duplication creates inefficiency should also be explored more, and areas for consolidation should be identified.

Nutrition education programming is another area that deserves attention. In New York City two agencies provide very similar nutrition education programs to very similar populations, one through HRA, and the other through the Department of Health. Consolidating these efforts could also reduce administrative inefficiencies.

A fragmented system also means that information is lost, information about how the families are being served as well as the nutritional programs themselves. Government agencies tend to operate in a silo, and this was true in New York City, which means information is not shared with families about other programs. An uncoordinated system also makes it more difficult to share information on participating households, which increases the opportunity for error, fraud, and abuse.

A better system would be to consolidate programs that share the same goals and coordinate programs across governing bodies with a focus on the person and the household. This will save the government money and reduce the burden on participating families. I provided three specific examples where coordination could be beneficial—setting nutrition guidelines, authorizing retailers, and administering nutrition education programs—as well as reducing the inefficiencies in eligibility determination that I described earlier.

The extent to which we can limit the burden on staff and on families by better consolidating and coordinating food assistance programs, the better these families will be served and the better the government's money will be spent.

Thank you, and I can respond to any questions that you may have.

[The prepared statement of Dr. Rachidi follows:]

PREPARED STATEMENT OF ANGELA K. RACHIDI, PH.D., RESEARCH FELLOW IN POVERTY STUDIES, AMERICAN ENTERPRISE INSTITUTE, WASHINGTON, D.C.*

Federal Food Assistance Programs: Better Coordination Will Help Households and Save Government Dollars

Chairwoman Walorski, Ranking Member McGovern, and other Members of the Subcommittee, thank you for the opportunity to testify this afternoon on government duplication and unmet needs in Federal food assistance programs.

My name is Angela Rachidi and I am currently a Research Fellow in poverty studies at the American Enterprise Institute (AEI). I recently joined AEI after spending almost a decade working for the New York City Human Resources Administration or HRA, the past 6 of which I served as the Deputy Commissioner for Policy Research and Evaluation. HRA is New York City's main social service agency and administers the Supplemental Nutrition Assistance Program (SNAP) and emergency food program, along with other income support programs.

During my time at HRA, I conducted numerous studies of SNAP and how it affected New York City households. I have extensive knowledge of the broader context of food assistance programs and the interrelation with SNAP. My comments today draw from this experience and focus on concerns about duplication, inefficiencies, and burdens that are created by the complexity of our nation's food assistance programs.

The main points I will make are: (1) duplication and inefficiency do exist in these programs as they are currently administered, (2) the decentralized nature of the current system means that knowledge about how to help families with their food needs is lost, and (3) families are ultimately hurt because the system is not set up

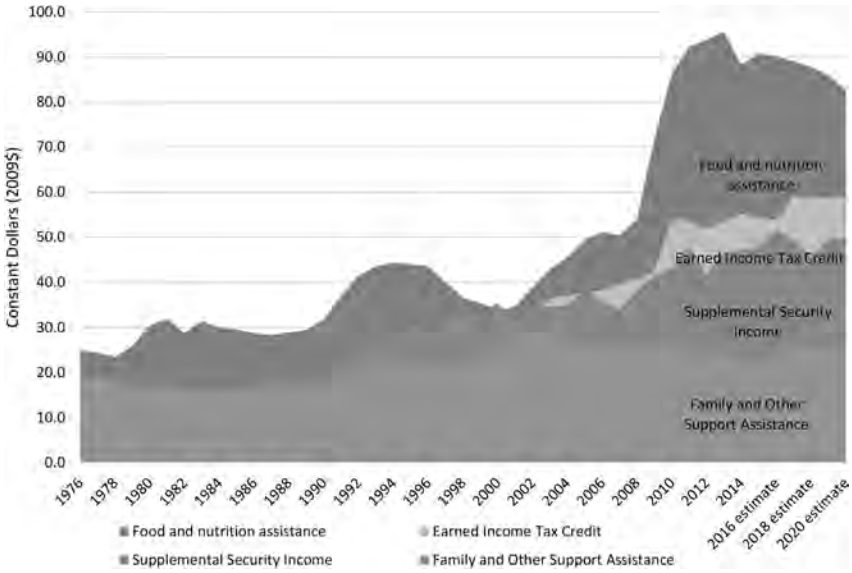
*The views expressed in this testimony are those of the author alone and do not necessarily represent those of the American Enterprise Institute.

to treat them holistically and likely requires more government dollars to administer than is necessary.

Before I address these specific points, I want to emphasize that the Federal Government's food assistance programs are an important part of our nation's safety net. Research shows that these programs improve the health and nutrition of low-income families and provide needed resources to many households.[1] Spending on food assistance programs has grown substantially over the past 3 decades, most dramatically in the past several years, in absolute terms as well as relative to other means-tested programs. The figure below shows that spending on food and nutrition assistance has grown 78 percent in the past 10 years, while the earned income tax credit increased 46 percent, and SSI increased 23 percent. While this growth is projected to slow, spending is not expected to return to prior levels.

Federal Spending on Food and Nutrition Assistance Compared to Other Means-Tested Programs: FY 1976–2020 (estimated)

In Constant Dollars (2009$)



Source: Office of Management and Budget, Budget Historical Tables, *Table 8.6—Outlays for Mandatory and Related Programs in Constant (FY 2009) Dollars: 1962–2020*.

The costs in this figure reflect benefit costs, but a report by the USDA's Economic Research Service in 2008 analyzed administrative costs for SNAP (then the Food Stamp Program), WIC, and the School Lunch program and compared them to other means-tested programs. It found that administrative costs for SNAP were 15.8¢ per each benefit dollar administered, close to 20¢ per dollar administered for WIC, and 2¢ to 14¢ for the school lunch program.[2] In addition, a study by Julian Alston with the University of California-Davis found that six percent of the USDA's SNAP budget was spent on administration in 2009, while 28 percent of Federal spending on WIC was for administration (Alston, J., 2011).[3] With administrative costs shared by states, this spending did not include the state and local contribution. Alston also found that the Federal Government's share of administrative costs for child nutri-

[1] See the GAO *Domestic Food Assistance Report,* April 2010, *http://www.gao.gov/assets/310/303151.pdf*.

[2] See ERS Report, *The Cost of Benefit Delivery in the Food Stamp Program, a Cross-program Analysis, http://www.brookings.edu/~/media/research/files/reports/2008/3/food-stamp-isaacs/03_food_stamp_isaacs.pdf*.

[3] *https://www.aei.org/wp-content/uploads/2012/04/-us-food-and-nutrition-programs-costs-effectiveness-and-impact-on-obesity_092514480719.pdf.*

tion programs in 2009 was $173 million. This highlights the significant investment by the Federal Government in administering food assistance programs.

Given the large investment in food assistance programs at the Federal level, finding ways to increase efficiencies is critical. Consolidating and better coordinating programs to save on administrative costs and serve households more effectively is an important area for examination. With that, I make the following key points.

First, there are inefficiencies built into the current system for both the government and the families served by them. In New York City, SNAP, WIC, school food programs, and child and adult care programs are all administered by different agencies and the result is that each agency must determine eligibility and administer benefits separately. The GAO report on this topic from 2010 indicated that New York City was not unique in this way. For SNAP and many of the other programs, determining eligibility requires staff to accept and process information from applying households, enter this information into data systems, conduct interviews with clients, and make a determination about eligibility. The way the current system is structured, this process can happen more than one time depending on how many programs the household participates in.

Not only is duplication inefficient from a government perspective, but it also affects families. According to the 2010 GAO report on this topic, almost 40 percent of households with low food security that participated in one of the three largest Federal food assistance programs, participated in more than one. Not only does duplication in determining eligibility mean more administrative staff, but the effort that is required of families can be unnecessarily burdensome.

Because these programs are often operated by different agencies with different oversight, the data systems involved are also different. This creates complexities around data sharing for administrative purposes and makes reporting similar outcomes across programs more difficult. Better coordination would also mean better data and reduced burden on administrative agencies for reporting.

Some coordination across programs already exists. For example, in New York City data sharing between administering agencies results in automatic enrollment of SNAP student recipients into the school lunch program. And a universal breakfast program (partially funded by the City) takes care of duplication between that program and others. Categorical eligibility efforts such as these, which is when participation in one food program satisfies income eligibility requirements for another program, reduces some of the administrative burden associated with a decentralized system. However, I would urge caution on some of these categorical eligibility efforts. A recent GAO report on the school meals program found that errors are common. In an unrepresentative sample of 25 approved applications for the school meals program, six indicated categorical eligibility but the GAO found that two were not eligible at all and one was not eligible for free lunch, but possibly reduced lunch.[4] The interest in reducing burden must be balanced with the need for quality control and program integrity.

In addition to eligibility determination, there are three other areas where coordination or consolidation may be appropriate, including setting nutrition standards, approving and monitoring retailers, and nutrition education programming.

At the Federal level, different nutrition guidelines and standards exist for different programs. For example, there are few restrictions on what can be purchased with SNAP benefits, but WIC and the National School Lunch Program have stricter guidelines on what can be purchased and administered. This sends very different messages about nutrition and its role in Federal food assistance programs. Consolidating efforts around setting and monitoring nutrition guidelines should be explored.

Approving and monitoring retailers in SNAP and the WIC program is another area where coordination could result in efficiencies. SNAP retailers are approved and monitored at the Federal level, whereas WIC retailers are authorized at the state level. The extent to which this duplication creates inefficiencies should be explored and areas for consolidation should be identified.

Nutrition education programming is another area where consolidation might increase efficiencies. In New York City, the Department of Social Services (HRA) administers SNAP-Ed, the nutrition education program funded through SNAP, with oversight from New York State. These nutrition education efforts are provided to students in some New York City Schools, as well as other settings. The City's Health Department also provides nutrition education for New York City school children through programs such as the Child and Adult Care Program. The result is two agencies providing very similar nutrition education programs to very similar populations. Consolidating these efforts could result in administrative efficiencies.

[4] *http://www.gao.gov/assets/680/670078.pdf.*

The second point I would like to make is related to the information that is lost due to a fragmented system—information about the families as well as the nutritional programs themselves. Government agencies tend to operate in a silo, and this was true in New York City. In New York, eligibility workers in SNAP offices have very little knowledge of the programs operated outside of their agency. This means that information about WIC, school lunch and breakfast programs, as well as the less visible programs, often are not shared with SNAP applicants or recipients. This is not efficient for families and it increases the chance that they will not access benefits they are eligible for.

In addition, an uncoordinated system makes it more difficult to share information on participating households, which increases the opportunity for errors, fraud, and abuse. For example, if different incomes are reported by a household across programs, whether in error or with fraud in mind, an uncoordinated system is not set up well to detect these errors.

A better system would be to consolidate programs that share the same goals and coordinate programs across one or two governing bodies, with a focus on the person or household. This will save the government money and reduce the burden on participating families. It may also improve service delivery to families by ensuring that they are made aware of all the benefits they are eligible for, as well as limiting the chance for errors, fraud, and abuse. I provided three specific examples where coordination could be beneficial—setting nutrition guidelines, authorizing retailers, and administering nutrition education programs—and reducing inefficiencies in eligibility determination should also be explored.

The extent to which we can limit the burden on staff and on families by better consolidating and coordinating food assistance programs, the better these families will be served and the better the government's money will be spent.

Thank you and I can respond to any questions that you may have.

The CHAIRWOMAN. Thank you, Dr. Rachidi.

Mr. Nader, you may proceed with your testimony.

STATEMENT OF JOSEPH NADER, EXECUTIVE CHEF, LEVY RESTAURANTS AND DETROIT LIONS; VOLUNTEER CHEF, SHARE OUR STRENGTH'S COOKING MATTERS, DETROIT, MI

Mr. NADER. Thank you. Good afternoon, Chairwoman Walorski, Ranking Member McGovern, and Members of the Committee. I would like to thank you for the opportunity to share my experience and views on the importance of the Supplemental Nutrition Assistance Program, or what my family used to call food stamps.

I am the Executive Chef for Levy Restaurants and the National Football League's Detroit Lions. I am also a Volunteer Chef with Cooking Matters, a program that teaches nutrition education and basic cooking skills to low-income families in the Detroit area. Cooking Matters works as a public-private partnership, leveraging both SNAP-Ed funds to community organizations and private funding from companies like Wal-Mart.

As a child, there were many times when things got tough for my family, as it did for many in the Detroit area in and around the auto industry in the 1970s and 1980s. There is nothing more vital to the success of a child than proper nutrition. During these tough times we would rely on support from programs like food stamps, free school lunch, and the like. It wasn't always a long-term need, but there were times that support was needed for a brief period.

I feel very strongly that success in my life and my career is directly correlated with the fact that I had nutrition assistance early in my life. I experienced firsthand how SNAP and the School Lunch Program worked together to make sure I had the healthy food I needed both at home and at school.

One of the biggest misconceptions about SNAP is that families are on it for life. It is most often a temporary lifeline, as it was for

my family. Families on SNAP are presented with very hard decisions when balancing budgets, from rent, to child care, and basic needs such as nutrition.

While I received free school lunch, my school didn't offer school breakfast. This made SNAP even more important to my family. I saw many of my friends who were coming to school hungry get stigmatized and labeled as having behavioral problems which may have been alleviated by a daily nutritious breakfast and lunch. We now have research that supports what happened in my classroom. A study by Share Our Strength and Deloitte found that students who eat school breakfasts score up to 17.5 percent higher on math tests, miss fewer days of school, and are more likely to graduate.

I have also personally experienced the stigma of being from a low-income family. Childhood hunger and food insecurity crosses many demographics and socioeconomic areas. It is urban, suburb, and rural. Hunger is the face of many Americans.

As I look back, I realize the fact that my family had the cooking skills in place to stretch the few dollars that we did have for the food, and we were able to maximize our SNAP benefits. This was a driving force for me getting personally involved in helping others today. I discovered Share our Strength's Cooking Matters program operating through Gleaners Community Food Bank in Detroit about 3 years ago. I was delighted to see such a program that teaches low-income families nutrition education and basic cooking skills. It made me think of how many of my friends' families growing up could have benefited and subsequently maximized their very modest food budgets. They could have been empowered to shop smarter and cook healthier on tighter budgets.

I am very fortunate to work for Levy Restaurants and the Detroit Lions as they are both very active in our communities and support the work that I do, providing nutrition education to make sure families are able to maximize their benefits. We all believe that nothing is more important to child development than proper access to food and nutrition. We realize that SNAP is an effective way to give parents the power to feed their families when times get tough.

In Cooking Matters I see families who get SNAP and school breakfasts. Parents tell me SNAP works effectively when it works in tandem with other programs, like school meals. School breakfast ensures that kids can start their day with a healthy meal to fuel their brains and help them focus on their lessons rather than a growling stomach. This allows these parents to stretch their existing food budgets and SNAP dollars longer into the month instead of running out.

In this nation, we have enough food, I believe. It is unacceptable that any child in this great nation could go hungry. When I was a kid this program allowed me to get the nutrition I needed to grow up and be a success. We need to continue to invest in our kids and America's future.

This is a matter of potential. When I look at a child who is struggling with hunger, I see a potential future doctor, I see a potential computer programmer, I see a potential future chef of the Detroit Lions, I see a stronger workforce and a stronger America. But in

order for that to happen, we must ensure our children are fed. SNAP can help these kids grow up to achieve these dreams.

For all these reasons I am here to urge you to protect SNAP funding as it is an effective way to give parents the power to feed their families when times get tough. I have lived this personally, and I see it every day in my work in the Detroit community.

Thank you all so much for your time and attention to this very important issue. Thank you for the opportunity to come here today and speak and tell my story. And I welcome any questions.

[The prepared statement of Mr. Nader follows:]

PREPARED STATEMENT OF JOSEPH NADER, EXECUTIVE CHEF, LEVY RESTAURANTS AND DETROIT LIONS; VOLUNTEER CHEF, SHARE OUR STRENGTH'S COOKING MATTERS, DETROIT, MI

Good afternoon. Chairwoman Walorski, Ranking Member McGovern, and Members of the Committee. I would like to thank you for the opportunity to share my experience and views on the importance of the Supplemental Nutrition Assistance Program, or what my family used to call "food stamps." I am the Executive Chef for Levy Restaurants and The National Football League's Detroit Lions. I am also a volunteer Chef with Cooking Matters, a program that teaches nutrition education and basic cooking skills to low-income families in the Detroit area. Cooking Matters works as a public-private partnership, leveraging both SNAP-Ed funds to community organizations and private funding from companies like Wal-Mart.

As a child, there were times when things got very tough for my family, as it did for many families that worked in and around the auto industry in Detroit in the 1970's and 1980's. There is nothing more vital to the success of a child than proper nutrition. During these tough times, we would rely on support from programs like food stamps, free school lunch and the like. It wasn't always a long term need, but there were many times that support was needed, for a brief period. I feel very strongly that my success in life and my career is directly correlated with the fact that I had nutrition assistance early in my life. I experienced firsthand how SNAP and the school lunch program worked together to make sure I had the healthy food I needed both at home and at school.

I think one of the biggest misconceptions about SNAP is that families are on it for life. It is most often a temporary lifeline, as it was for my family. Families on SNAP are presented with very hard decisions when balancing budgets from rent to child care and basic needs such as nutrition.

While I received free school lunch, my school didn't offer school breakfast. This made SNAP even more important to my family. I saw many of my friends who were coming to school hungry get stigmatized and labeled as having behavioral problems, which may be been alleviated by daily, nutritious breakfast and lunch. We now have research that supports what happened in my classroom. A study by Share Our Strength and Deloitte found that students who eat school breakfast score up to 17.5 percent higher on math tests, miss fewer days of school, and are more likely to graduate.[1]

I have also personally experienced the stigmatization of being from a low-income family. Childhood hunger, and food insecurity crosses many demographics and socioeconomic areas. It is urban, suburban and rural . . . hunger is the face of many Americans.

As I look back, I realize the fact that my family had the cooking skills in place to stretch the few dollars that we had for food and were able to maximize our SNAP benefits. This was a driving force for getting personally involved in helping others today. I discovered Share our Strength's Cooking Matters program, operating at Gleaners Community Food Bank in Detroit, about 3 years ago. I was delighted to see a program that teaches low income families nutrition education and basic cooking skills. It made me think of how many of my friends' families growing up could have benefited, and subsequently maximized their very modest food budgets. They could have been empowered to shop smarter and cook healthier meals on tight budgets.

[1] Deloitte and Share Our Strength. "Ending Childhood Hunger: A Social Impact Analysis." 2013.

Cooking Matters ensures that families have the knowledge to use their SNAP dollars efficiently. After taking the course, families are more likely to buy whole grains and more fruits and vegetables.[2]

I am very fortunate to work for Levy Restaurants and The Detroit Lions. They both are very active in our communities, and support the work that I do as part of Cooking Matters. We all believe that nothing is more important to child development than proper access to food and nutrition. We realize that SNAP is an effective way to give parents the power to feed their families when times get tough.

In Cooking Matters, I see families who get SNAP and school breakfast. Parents tell me SNAP works effectively when it works in tandem with other programs, like school meals because the SNAP benefits are simply not enough to feed a family for an entire month. To end childhood hunger in this nation, we need to ensure that children are successfully getting three healthy meals each day. School breakfast ensures that kids can start their days with a healthy meal to fuel their brains and help them focus on their lessons, rather than on a growling stomach. This allows these parents to stretch their SNAP dollars longer into the month instead of running out. This way, even when budgets are extremely tight, kids are getting the healthy food they need where they live and where they learn. In effect, these programs become different rungs on the ladder of economic mobility for children.

This is a matter of potential. When I look at a child who's struggling with hunger, I see a potential future doctor. I see a potential future computer coder. I see a potential future chef of the Detroit Lions. But in order for that to happen, we must ensure our children are fed. SNAP can help these kids grow up to achieve these dreams.

I have taught many Cooking Matters courses throughout the last 3 years. I have seen the tears and the smiles on children's faces throughout the 6 week program. I have seen them get so excited to learn nutrition and cooking skills, and to share this information with their families. I have heard them tell me how much the program has changed their lives, and how they now make healthy decisions. I have also been delighted to have many of the kids tell me that after the Cooking Matters program they would like to go to culinary school and become chefs! Nutrition education alone can't solve the hunger crisis in America. We need to have strong programs like SNAP, WIC, and school meals to support families when they are going through hard times and nutrition education to make sure they are able to maximize those benefits.

For all of these reasons, I'm here to urge you to protect SNAP funding, as it is an effective way to give parents the power to feed their families when times get tough. I have lived this personally, and see it every day in my work in the Detroit community.

SNAP matters . . . Cooking Matters . . . Children Matter!

Thank you all so much for your time and attention to this very important issue.

The CHAIRWOMAN. Thank you, Mr. Nader.

Ms. Tussler, please proceed with your testimony.

STATEMENT OF SHERRIE TUSSLER, EXECUTIVE DIRECTOR, HUNGER TASK FORCE, MILWAUKEE, WI

Ms. TUSSLER. Thank you for inviting me to testify today. I am Sherrie Tussler. For the past 17 years I have been employed as the Executive Director of Hunger Task Force in Milwaukee, Wisconsin. Our anti-hunger public policy organization operates a food bank, a farm, and a self-service welfare office. We administer the Emergency Food Assistance Program, the Commodity Supplemental Food Program, the Emergency Food and Shelter Program, and the Supplemental Nutrition Assistance Education and Outreach Programs. We also organize a nationally recognized summer meals collaboration.

I know most of the Federal nutrition programs very well, and I serve as an issue expert on the Federal Commodity and Funding Programs, as well as SNAP and the Summer Food Service Program in my home state. I understand how the Federal nutrition pro-

[2] Altarum Institute. "Cooking Matters at the Store Evaluation." 2013.

grams are supposed to work and how they actually work. I work directly with children, adults, and seniors in need of the programs and who, in fact, rely upon them to meet their very basic needs.

I have grown accustomed to explaining the reach and the limits of the Federal nutrition assistance programs. I have convinced donors to substantially backfill these programs what these programs don't provide. And although I laud the intent of most of the programs, I also see their limits as an embarrassment to the government and the people. I surely believe that there is enough food, healthy food, in the United States to feed every single one of its citizens.

I know that you have concerns that the Federal nutrition programs are duplicative. You want to save tax dollars and create efficiencies. But what I see is a patchwork of underfunded programs layered around the shortfalls of SNAP and the National School Lunch Program. And while these programs serve certain populations well, they also fall short of their intent due to limits of funding or regulation.

For instance, the Commodity Supplemental Food Program is over-regulated and so influenced by its budget that its program intent is regularly distorted. It mandates what seniors can eat, but its budget doesn't match the mandates. As a result, seniors get food that they can't or do not want to eat.

The Child and Adult Care Food Care Program doesn't allow youth 13 and older to have supper, while the Summer Food Service Program will, but only if they hadn't had lunch. This is a cost-savings measure that leaves older siblings of younger children without food in after school programs.

Although we know the value of fresh foods in our diet, commodity foods aren't fresh. The foods doled our to food banks, school meal programs, and seniors are canned, boxed, and bagged as a cost-savings measure. Milk is instantized, and chicken leg quarters come in 20 pound bags.

SNAP is under a great deal of scrutiny for serving able-bodied adults. Do we really need to explain why able-bodied adults need food? There are lawmakers in my state who would invest the very tax dollars they seek to save in illegal and costly drug testing, photo identification for SNAP, and current work requirements will result in a loss of food-buying power under SNAP for up to 3 years for 67,000 people in Wisconsin alone.

Somehow we have determined that punishing people with hunger will motivate them towards work. Hunger doesn't motivate. It dulls and it makes people sick.

As you consider these programs, remember that all children should be fed when they are in our care and it is mealtime. Teenagers are children. They equally merit a healthy diet. Home-delivered boxes of food for seniors should include food they can and should eat. If we can't fulfill this promise, we should provide seniors with SNAP benefits sufficient to be healthy. In my opinion, the balance between agricultural price supports and the intent of the Federal commodity programs is tipped in favor of food producers and must be rebalanced.

What works? SNAP. SNAP is the one program that makes the most sense to me. It supplies food-buying power that stimulates

our economy. It normalizes and humanizes how people get food when they need help. SNAP is not dictatorial. It lets you shop for food you prefer, and its limits are practical. SNAP is not bound by age or who it can serve. Unlike all of the other Federal nutrition programs, SNAP doesn't make you the victim of over-regulation.

What else works? The Community Eligibility Provision. It creates dignified access to all children for school meals.

Your concern for program duplication should be balanced with the knowledge that the Federal nutrition programs do not meet the need. Funding for these programs is wholly inadequate, and the evidence of this is the billions of dollars that private sector plows into buoying their shortfalls. Food banks, soup kitchens, homeless shelters, and food pantries feed millions of hungry Americans shorted by these programs.

And no matter how reputable, food banks are a scourge on our nation's reputation. We should put them out of business because the grocery store is where food comes from and the most dignified way to get it is to buy it with your wages. The day we no longer need food banks is the day that we end hunger in America, and I believe that together we can.

Thank you.

[The prepared statement of Ms. Tussler follows:]

PREPARED STATEMENT OF SHERRIE TUSSLER, EXECUTIVE DIRECTOR, HUNGER TASK FORCE, MILWAUKEE, WI

Thank you for inviting me to testify today.

I am Sherrie Tussler.

For the past 17 years, I have been employed as the Executive Director of Hunger Task Force in Milwaukee, Wisconsin. Our anti-hunger public policy organization operates a food bank, a farm and a self-service welfare office. We administer The Emergency Food Assistance Program, the Commodity Supplemental Food Program, the Emergency Food and Shelter Program, and the Supplemental Nutrition Assistance Education and Outreach programs. We also organize a nationally-recognized summer meals collaboration.

I know most of the Federal nutrition programs well and serve as an issue expert on these Federal commodity and funding programs, as well as SNAP and the Summer Food Service Program in my home state. I understand how the Federal nutrition programs are supposed to work and how they actually work. I work directly with children, adults and seniors in need of the programs, who, in fact, rely upon them to meet their basic needs.

I have grown accustomed to explaining the reach and limits of the Federal nutrition assistance programs. I have convinced donors to substantially backfill what these programs don't provide. And although I laude the intent of most of these programs, I also see their limits as an embarrassment to government and the People. Surely, I believe that there is enough healthy food in the United States to feed every one of its citizens.

I know that you have concern that the Federal nutrition programs are duplicative. You want to save tax dollars and create efficiencies. What I see is a patchwork of underfunded programs layered around the shortfalls of SNAP and the National School Lunch Program. And while these programs serve certain populations well, they also fall short of their intent due to limits of funding or regulation.

For instance, the Commodity Supplemental Food Program is over-regulated and so influenced by its budget, that its program intent is regularly distorted. It mandates what seniors can eat, but its budget doesn't match the mandates. As a result, seniors get foods they can't eat or may not want.

The Child and Adult Care Food Program doesn't allow youth 13 and older to have supper while the Summer Food Service Program will—but only if they haven't had lunch. This is a cost savings measure that leaves the older siblings of younger children without food in after school programs.

Although we all know the value of fresh foods in our diet, commodity foods are not fresh. The foods doled out to food banks, school meal programs and seniors are

canned, boxed and bagged as a cost savings measure. Milk is instantized and chicken leg quarters come in 20 pound bags.

SNAP is under a great deal of scrutiny for serving able-bodied adults. Do we really need to explain why able-bodied adults without children need food? There are lawmakers in my state who would invest the very tax dollars they seek to save in illegal and costly drug testing and photo identification for people using SNAP. Current work requirements will result in loss of food buying power under SNAP for up to 3 years for 67,000 people in Wisconsin alone.

Somehow we have determined that punishing people with hunger will motivate them towards employment.

Hunger doesn't motivate. It dulls and makes people sick.

As you consider these programs remember that all children should be fed when they are in our care and it is meal time. Teenagers are children. They equally merit a healthy diet.

Home-delivered boxes of food for seniors should include food they can and should eat.

If we can't fulfill this promise, we should provide seniors with SNAP benefits sufficient to be healthy. In my opinion, the balance between agricultural price supports and the intent of Federal commodity programs has tipped in favor of food producers and must be rebalanced.

What works? SNAP.

SNAP is the one program that makes the most sense to me. It supplies food buying power that stimulates our economy. It normalizes and humanizes how people get food when they need help. SNAP is non-dictatorial—it lets you shop for the food you prefer and its limits are practical. SNAP is not bound by age or whom it can serve. Unlike all of the other Federal programs, SNAP doesn't make you the victim of over-regulation.

What else works? The Community Eligibility Provision. It creates dignified access to all children for school meals.

What doesn't work? The Federal Emergency Management Agency's administration of the Emergency Food and Shelter Program. Does anyone know or care that they skipped an entire year of funding emergency programs? Their management of this program is tragic.

Your concern for program duplication should be balanced with the knowledge that the Federal nutrition programs do not meet the need.

Funding for these programs is wholly inadequate. The evidence of this is the billions of dollars that the private sector plows into buoying their shortfalls.

Food banks, soup kitchens, homeless shelters and food pantries feed millions of hungry Americans shorted by these programs. And no matter how reputable, food banks are a scourge on our nation's reputation. We should put them out of business because the grocery store is where food comes from, and the most dignified way to get the food is to buy it with your wages.

The day we no longer need food banks is the day we end hunger in America. Together we can.

I welcome your questions and am happy to share more information as requested.

The CHAIRWOMAN. Thank you, Ms. Tussler.

Thank you for all your testimony. We appreciate it. Now we move to the question portion.

A consistent theme throughout the testimony of our panel has been the potential for greater administrative efficiency. So within the United States and the example of New York City, we have heard there are various agencies administering nutrition programs to similar populations. This is not only confusing for the states and localities trying to administer these programs, but for recipients who are trying to piece together different forms of nutrition assistance to feed their families.

The question first to Ms. Brown: Can we improve administrative efficiency without sacrificing program integrity? And the second question: Is it a direct trade-off, a zero-sum game?

Ms. BROWN. There was just a report that was released recently about the School Meals Program that shed some light on that where it was determined that when children in the School Meals Program are automatically made eligible because of their participa-

tion in the SNAP program, that the likelihood of error in their eligibility is much smaller. So, in fact, by sharing eligibility across those programs, they have decreased the likelihood of error in that program. So there are some real possibilities that we can do better even right now.

I do want to say, though, that there is kind of a cautionary tale here, and that is that sometimes when we have those automatic eligibility provisions we end up with unintended consequences that might result in certain program participants receiving benefits when that may not have been the intent of Congress. So we have to kind of keep an eye on that if we are going to do those automatic eligibilities.

The CHAIRWOMAN. Yes.

And, Dr. Rachidi, do you have any suggestions on how to improve administrative efficiency while maintaining the integrity of the individual program?

Dr. RACHIDI. Sure. I actually think that you can achieve both goals, and I would recommend more data sharing. Ms. Brown just talked about the data sharing where you have direct certification using SNAP data for the School Lunch Program. Areas in the other programs where that type of a model can be used would be very beneficial.

And also in terms of program integrity, data sharing can also be used to a greater extent to ensure program integrity, accessing databases at the Federal level, allowing local agencies to access databases at the Federal level to verify income. Things like that can all not only help with administrative efficiencies, but can also increase program integrity.

The CHAIRWOMAN. When you were in New York City, were there any Federal barriers while you were operating in that state you could look at and say this is something that should be tweaked or could be tweaked or could be helpful in barriers that you identified?

Dr. RACHIDI. Sure. And, again, this was at the city level, but in terms of the data sharing again, accessing Federal databases, I am not sure of the particular reasons behind not accessing some of those data systems, like Social Security Income data, for example, wasn't accessible, and that would save a lot of administrative effort trying to track down income if that database was available to local agencies. So that was one particular example.

The other is, there is an opportunity now that technology has made a lot of progress in revisiting some of the regulations among the USDA in relation to SNAP and how using technology maybe can fit better with those regulations.

For example, one thing in New York City, we were moving to online applications for SNAP, which involved a telephone interview of recipients. And one initial problem was that recipients had to have a scheduled interview. It did not allow recipients to just call the agency at their convenience. New York City did apply for a waiver, and I believe now they have gotten that to allow recipients to do that, but that was one sort of road block that was at the Federal level that created some problems.

The CHAIRWOMAN. I appreciate it.

And, Ms. Brown, one other question. As we look at this whole concept of streamlining the administrative programs, can we do that, is there a way to do that without literally bumping into the statutes that Congress created?

Ms. BROWN. There are some things that can be done without bumping into the statutes, but it is very possible that there might need to be some consideration of some changes. For example, even some laws and regulations specify who must do the eligibility determination. For example, with SNAP it needs to be a state employee.

So there are things like that that might have to be reconsidered if we were really going to look at this more holistically and think about some bigger changes.

The CHAIRWOMAN. I appreciate it. Thank you.

The chair recognizes Ranking Member McGovern, for 5 minutes.

Mr. MCGOVERN. Thank you very much.

Ms. Brown, do you consider categorical eligibility a step toward efficiency and making the process more effective?

Ms. BROWN. Yes. What we have seen in a number of different cases is that categorical eligibility, particularly when it is directly certified program to program, can be a major step toward efficiency and also have positive benefits toward program integrity.

Mr. MCGOVERN. I think that is an interesting point, because the whole concept of categorical eligibility was introduced basically to do what I think everybody here wants, to make these programs more user friendly and more effective and efficient. And all of a sudden now it has become unpopular because people who are eligible are getting enrolled in the program, and everybody is saying: Oh, my goodness, we didn't want that to happen. But the fact of the matter is that efficiency and effectiveness means that people who are eligible should be able to take advantage of the benefits of these programs.

We talk about effectiveness and efficiency and duplication and all that kind of stuff. Does anyone here believe that the current SNAP benefit is adequate for a family to be able to pay for the groceries they need for an entire month?

Ms. TUSSLER. If I could?

Mr. MCGOVERN. Yes.

Ms. TUSSLER. In the State of Wisconsin the average SNAP benefit is not adequate. I know that the Supplemental Nutrition Assistance Program is supposed to be supplemental, but one of the reasons why there may be duplication in services, a senior, for instance, receiving $14 in SNAP and simultaneously receiving a Commodity Supplemental food box valued at $50 who has less than $100 in additional income to spend after rent and utilities are paid.

So, no, SNAP is not adequate to meet people's basic needs, and that is why you see what you think is program duplication and what I think is a safety net.

Mr. MCGOVERN. And I am happy to yield to Dr. Rachidi.

But what I am seeing in Massachusetts is that people are looking for alternative programs to basically supplement their Supplemental Nutrition Assistance Program because they can't make it through the month. And I am just curious, if we provided an adequate benefit, does that help alleviate some of the problem?

Dr. RACHIDI. If I may. I do believe that the SNAP benefit is adequate for a large number of households that participate. For a family of four it is $650 a month. That is the maximum benefit.

We did a study in New York City where we looked at benefit redemption patterns over the month, and we found that the majority of families actually did not spend down their benefit levels early in the month and they had benefits left over at the end of the month.

Mr. MCGOVERN. You are the first person who has ever told me that.

Dr. RACHIDI. Not all families, but the majority.

Mr. MCGOVERN. Yes. You are the first person who has ever told me that. The people that I meet with regularly and the people who I see at food banks are not there because they want to be at food banks, it is because they have run out of money. I think your perspective on this is certainly different than my experience.

Dr. RACHIDI. I don't disagree with you. There are a number of families that cannot make it through the month, and they do have to participate and they do have to go to a food pantry. What I am saying is when you look on the whole, for most of the families it is adequate. We looked at administrative data and we have been able to confirm that.

Mr. MCGOVERN. Well, I respectfully disagree with you on that.

Ms. Tussler, can you tell us about the LIHEAP provision that was in the farm bill last year? Have you seen an impact on any of the people you serve?

Ms. TUSSLER. Yes. Seniors and people with disabilities were unduly affected. Most of them were living in subsidized housing or apartments that had heat included in the rent. And although the state said that we would lose on average $24 per senior per month in SNAP buying benefits, what we actually saw was $90 to $100. And so we are now seeing seniors giving up their apartments and trying to live with family members, becoming homeless, because they don't have enough money for food at the end of the month.

Mr. MCGOVERN. So seniors have lost $90 to $100 in their benefit?

Ms. TUSSLER. Yes. I have an example of a lady named Molly who is 76, and she receives $898 a month in Social Security. Her rent is $500 a month in subsidized housing with heat included. Her medical expenses and hygiene, other products, leave her with $100 in excess income after the end of the month. After she lost her standard household utility allowance under the recent farm bill, her SNAP benefit was cut from $90 to $16.

Mr. MCGOVERN. I hardly believe that that is an adequate benefit for somebody to live on.

Ms. TUSSLER. Sixteen dollars a month.

Mr. MCGOVERN. Thank you. Thank you.

The CHAIRWOMAN. The chair recognizes Mrs. Hartzler, for 5 minutes.

Mrs. HARTZLER. Thank you, Madam Chairman.

First, I just wanted to commend, well, all of you, but certainly Mr. Nader on your program. Your story was wonderful. I am a former family consumer sciences teacher. They used to call us home economics teacher. But what I did was a lot like what you are doing now, is teaching nutrition education to family, how to budget, how to stretch those dollars. So just keep up the great

work there. And I will give a shameless plug for family consumer science education out there as well, because it is important in our high schools.

I had a question for Ms. Brown. I guess I would like to start with you. So in the last few years we have seen a near complete coverage of free breakfasts and snacks in low-income schools in addition to lunch, and we have seen growth in weekend backpacks of food. And I can tell you, in my district, there are so many wonderful communities and people who are helping with that. And now we are seeing an expansion of dinner at school.

So I guess just on an administrative viewpoint, how does this impact the family's SNAP benefit if the child is receiving nearly all of his or her meals at school?

Ms. BROWN. Well, two points. One, a family's SNAP benefit would not be adjusted depending on whether they were getting other school meal benefits. Those School Meal Program benefits are intended to complement the SNAP benefits and not cause a reduction.

The other point is that, I mentioned in my statement that USDA has taken some action, and one of the things that they are planning to do is conduct a study that looks across the larger food assistance programs and see what participation in multiple programs, what effect that has on the nutritional intake of different families. So we will be very interested to see the results of that.

Mrs. HARTZLER. When do you think that will happen?

Ms. BROWN. I don't think they have started it yet, and I suspect it is going to be a pretty challenging project.

Mrs. HARTZLER. Sure. So that would include WIC as well. So, like, would a mother and child under 5 receive WIC? Is there any interaction with the household SNAP benefits?

Ms. BROWN. Again, our understanding is that none of the food assistance programs are intended to fill all of the nutritional needs of a family, so it would not be inconceivable for a family to receive SNAP and then, if they had very young children and school-aged children, also receive WIC and school meals.

Mrs. HARTZLER. Okay. Great. You mentioned in your testimony that the SNAP is achieving seven of the ten goals of SNAP, and I was just interested in what those are. Do you have what those ten are and could share what the ten goals of SNAP are?

Ms. BROWN. Seven of ten goals?

Mrs. HARTZLER. Yes.

Ms. BROWN. What I said was that seven of the 18 programs were found to be effective and SNAP was one of them.

Mrs. HARTZLER. You talked about goals of making sure that children were fed and things like that. So I was curious what are the goals of SNAP?

Ms. BROWN. Well, the goals of SNAP are related very much to providing families with income so that they can improve their nutritional intake, and that is one of the things that we know that the program is actually achieving.

Mrs. HARTZLER. Okay. If you could get back to me later on what the specific goals are, that would be helpful to me. I just think that would be very helpful.

And one more question here. So as far as the funding of the programs, there is no spending limit, *per se,* in each program, right? If someone is entitled to it, there are no caps.

Ms. BROWN. Congresswoman, the goals for SNAP are on page 8 of my written statement.

Right. The top programs are all entitlements with the exception of WIC, which is not an entitlement but has been in the past several years able to meet the demand for those benefits.

Mrs. HARTZLER. I am sorry. I was reading here. You might have just said. My final question is, so if there is no limit on any of them, why is SNAP the only one with the economic times that has seen the large increase?

Ms. BROWN. Well, the graphic in my statement made it look like SNAP had a huge growth and the other programs didn't. The other programs also experienced some growth as well, but SNAP is intended to traditionally respond to changes in the economy. So when the economy goes down, SNAP participation goes up. So that wasn't a surprise. And in addition to that, the benefit level for SNAP was increased under the Recovery Act, which made the increase in the program spending that much bigger.

Mrs. HARTZLER. Okay. Thank you. I yield back.

The CHAIRWOMAN. The chair recognizes Congressman Ashford, for 5 minutes.

Mr. ASHFORD. Thank you.

If I might ask Ms. Tussler a little bit about Wisconsin. We have tried to in Nebraska do some things to expedite and be more efficient in the application process for SNAP. And I know, maybe you touched on this, but in Wisconsin you have done some things that have been very innovative and successful on the delivery itself. Am I correct? Could you go over some of those for me?

Ms. TUSSLER. Sure. Wisconsin modernized its food stamp application process because we weren't timely. We were routinely getting fined from the Federal Government. And what we did was we created an online application both for Food Share, as well as now Medicaid, and people can go online, they can apply.

In response to Dr. Rachidi's comments, they can have a telephonic interview. The interview lasts about 6 to 7 minutes. They can have a telephonic signature, which is a voice recording of them saying that they testified to the veracity of their claims.

They can submit verification of their application, proof that they pay rent, proof of what their income is, proof of everything—I always say it is proof of anything you say yes to—via a scan or a faxed document.

And so you no longer have to go to the welfare office in order to apply for Food Share or SNAP. We call it Food Share in Wisconsin. And you can, as a result, have a more dignified access to the program. It can make better sense for you because it is online 24 hours. And for a lot of seniors, it has been welcome, because they were often frightened to go to the locations that the welfare office was in Milwaukee.

Mr. ASHFORD. And so do you have some data then on how that has worked across the system? With elderly recipients it has been a good thing. Has it also been the same for younger recipients? Or how has it worked with all elements?

Ms. TUSSLER. Well, it improved program enrollment, program integrity, program operations in general. We reached the point in Wisconsin where we were actually getting bonus funding on a regular basis, and so we turned it around, in effect.

And I know a lot of groups struggle with modernization. I think it still has places that it can go, including verification, because oftentimes we are chasing down some piece of paper that proves how much money we made or that we have a child in the house when, indeed, the state already knows that about you.

So I think that there can be connections between state databases and food stamp applications that would further improve program integrity and help customers verify, as well as reduce the costs of operating a food stamp program.

Mr. ASHFORD. That is interesting. There was testimony earlier, and we have had testimony previously, about the need for more collaboration and data sharing. Just logically it would seem to me that that kind of process would lead to more data sharing once you get people used to the process. Is that——

Ms. TUSSLER. Yes, and it changes how people apply and who they apply with. You are still applying with a government-level employee, but they are processing more data, as opposed to being a social worker. And so there is a lot less time spent face to face working with people and trying to consider their circumstances. Maybe there is a loss of other opportunities to talk to people about why they are in poverty or how they could get jobs. But the reality is that it expedites the process. It reduces the taxpayer burden on the administration of the program.

Mr. ASHFORD. And then going back to evaluate how it has worked or is working, that process it seems to me would also be helpful in that regard, correct? If we are doing research on the effectiveness of the program and how it could be changed or altered, this process would be a way to do that or a way to get into that data?

Ms. TUSSLER. Yes, I absolutely agree.

Mr. ASHFORD. Thank you.

I yield back. Thank you.

The CHAIRWOMAN. Thank you.

The chair recognizes Congressman Benishek, for 5 minutes.

Mr. BENISHEK. Thank you very much, Madam Chairman.

Mr. Nader, good to see you again. Thank you for coming here to D.C. to talk about your personal experiences.

One of the questions that I have, and maybe you can tell me a little about it, I want to ask some of the other folks too, it seems to me that there maybe should be a more holistic approach to how we help people. I am not sure, is it possible that you can have one contact and get all the benefits that you are eligible with one encounter?

And the other thing I want to commend you for, and I think that many of our local nonprofits really assist people a lot in that area in job training and food assistance. And can you tell me about your experience and what you do a little bit more, and if you can relate to my thought here?

Mr. NADER. Sure. I mean, with the Cooking Matters program in general, it is a 6 week long program where we are taking the folks

or the kids through, it is about 2 hours, 6 weeks, so once a week. And it is general nutrition and basic cooking skills, and then it is capped off by a store tour. For us in Detroit, we have had a lot of need. The economy has been rough in particular there, as it has everywhere.

But the store tour for me too is a really important piece of that. The whole educational piece in general is essential to the success of any of these type of programs. Unfortunately, it is not really my expertise to speak to why people are in that position, however, I am on the front lines of that in Detroit. I am experiencing many folks that don't have those basic skills.

Mr. BENISHEK. Can you tell me a little bit about this? Is it a food wasteland or an inability to find food in your neighborhood?

Mr. NADER. A food desert.

Mr. BENISHEK. A food desert, yes. Tell me about that a little bit.

Mr. NADER. In my community there are many areas in and around that we have land areas that there aren't stores available, or if they are, they are like bodegas or like what we call in Michigan party stores. And they have very limited food available that is in those, or folks don't have access to a proper grocery store or food access in general. That pretty much speaks to that.

Mr. BENISHEK. All right. Thanks.

Ms. Tussler, you heard my questioning here. I am trying to think there has to be a better way of doing this. And you said that as well.

Ms. TUSSLER. Yes.

Mr. BENISHEK. Is there a way for someone to apply for all these benefits at one time? That doesn't sound like it exists. That is why I mentioned the nonprofits because sometimes these local nonprofits, they can reach out to a lot of different local sources and help people negotiate the morass of bureaucracy.

Ms. TUSSLER. Sure. And they often do. The Ohio Benefits Bank model is a model where nonprofits will sit down and talk to you about all the things you could be eligible for, and they will give you a printout. But, sadly, you still have to run to all those places and try to apply for those benefits. So they are not coordinated at the state level.

Mr. BENISHEK. Yes. That is where I think that we could be helpful maybe here in our job.

Ms. TUSSLER. You could.

Mr. BENISHEK. And I think that one of the, hopefully, the results of these hearings, is that we can streamline the process and make it easier for people to find out what they are eligible for and make it easy.

What about Mr. Nader's comment about the, what is it, the food wasteland?

Ms. TUSSLER. Food desert.

Mr. BENISHEK. Food desert. Do you have experience with that? Because I worry about people being able to access food and not having to go to the party store and ending up with a TV dinner or something.

Ms. TUSSLER. Right. There are food deserts throughout the country. In Milwaukee we have them as well. And people have to travel large distances in order to be able to access healthy or fresh foods

at sort of the big box grocery store instead of the smaller store. And it is about land availability and landmass and sort of a perception with large retail grocers that those people don't have any money to spend on anything.

Mr. BENISHEK. It seems to me that most people that are in this situation, or a lot of them, don't have access to a vehicle where they can just drive to a grocery store.

Ms. TUSSLER. And oftentimes public transportation doesn't go where they live.

Mr. BENISHEK. All right. Well, that is an issue that we should kind of investigate as well, don't you think?

Ms. TUSSLER. Yes. But very quickly, I used to run a homeless shelter in 1988 in Milwaukee, and we used to send people to the welfare office, and they could apply for TANF—AFDC back then—food stamps, and Medicaid. And they would walk out knowing what their benefits would be. They would walk out with paper emergency coupons. They would walk out with health insurance for their children. We took that apart.

Mr. BENISHEK. All right. Thank you. I am out of time.

The CHAIRWOMAN. Thank you.

The chair recognizes Congresswoman DelBene.

Ms. DELBENE. Thank you, Madam Chairman.

And I would like to thank all of you for being here with us today. I really appreciate you taking the time.

Ms. Tussler, you talked a little about that you also have a farm, and I was interested in what you grow and how you use that to supplement the food that you distribute to food pantries or to people who are coming seeking help.

Ms. TUSSLER. Sure. Milwaukee is primarily an urban community, but there was a work farm that was operated by our house of corrections, and we took that farm over when it was closed. It is a 208 acre farm. It is a vegetable farm, and so it grows 27 different varieties of fruits and vegetables. Those are planted by volunteers and along with some of our staff farmers and harvested later in the fall and delivered to our emergency food pantry network absolutely free of charge. And we do that because TEFAP doesn't provide us with any fresh or wholesome foods.

Ms. DELBENE. And do you know others who are doing things like that to try to supplement and provide fresh fruits and vegetables?

Ms. TUSSLER. It is challenging because the food bank network nationwide relies on unsalable or less than wholesome foods that are donated by large corporations or large store chains. And instead of doing that, what we do is grow our own food, which we think is a more wholesome and sort of more agricultural and Wisconsin-based approach to meeting the need.

Ms. DELBENE. And so are you able to get that out quickly and get it distributed quickly?

Ms. TUSSLER. Sometimes on the same day.

Ms. DELBENE. Are there challenges that you face in trying to do this and make sure you have the availability of fresh vegetables?

Ms. TUSSLER. Well, we have the fresh fruit and vegetables from April through November, and then in the winter months we don't have a lot going on and we are back to the canned and stable products that TEFAP offers.

Ms. DELBENE. Also, you alluded to this a little bit earlier. Ms. Brown had identified in her testimony that two programs that overlap in who may participate are SNAP and the Commodity Supplemental Food Program. And all low-income seniors are eligible for SNAP, while CSFP is only available to a limited number of seniors because of the cap on funding.

And I know you work with both programs, and so I wondered if you can comment if you think that CSFP is duplicative or redundant with SNAP and why it is important that we make sure that seniors have access to both programs.

Ms. TUSSLER. Well, clearly a senior in Milwaukee could receive both CSFP and SNAP. Our experience, however, is that the SNAP benefit is at $14 and rarely goes above $90 based on the person's medical experiences and asset tests. But the CSFP program is going to provide them with a $50 box of canned and stable products.

And so SNAP comes in and allows them to purchase in a very modest way anything that they might want that would be fresh, any meat or dairy, any kind of cheeses, any vegetables or fruit, frankly, because there are just going to be two cans of fruit and four cans of vegetables in the CSFP box.

Ms. DELBENE. Or things that maybe personally were unappealing, as you were referring to earlier too.

Ms. TUSSLER. Yes. Canned beef stew. They get one can of canned beef stew or one can of beef in juices. Powdered milk is not a favorite of most people. And sometimes they are given foods that they can't eat, like grapefruit juice.

Ms. DELBENE. Thank you. Thank you very much.

Mr. Nader, what do you think is the most effective method of reaching SNAP households through nutrition education that you found in your experience so far?

Mr. NADER. Honestly, the Cooking Matters program I can attest is working well. It is a very structured, formatted program, and we take them through each step of the way, and at the end of that 6 weeks I feel like they have come a long way from where they started to be able to make the wise choices and be able to empower themselves to shop accordingly.

Ms. DELBENE. And if we kind of turned that around, what do you think are the greatest challenges, or what things would you like to be able to do differently that you think would help make it more effective?

Mr. NADER. I would say if we could access more folks. It is all volunteer based. I am out there on the front lines. Each class is usually someone from the nutrition field, say a volunteer registered dietician, and then a chef. So we are constantly struggling to get proper volunteers. And then once we have that in place, I am out there making sure we get the folks out there to teach the classes, but then getting people aware. So I guess awareness would be the answer.

Ms. DELBENE. Thank you very much. I yield back. Thank you, Madam Chairman.

The CHAIRWOMAN. Thank you.

The chair recognizes Congressman Gibbs, for 5 minutes.

Mr. GIBBS. Thank you, Madam Chairman.

Thank you all of the witnesses coming in, and especially Mr. Nader, to hear your story and your continued work to help people. That is admirable, and it actually helps the program because you get more credibility into the whole program and the system.

And I know the Ranking Member in his opening comments talked about protecting SNAP funding, and the best way to protect it is to make sure that it isn't being abused. Because, I forget which network did it, but sometime last year there was an exposé about a surfer out in California living on food stamps and eating lobster and everything else.

Obviously things happen. But when my constituents see that, then they get upset, and that doesn't help people that need the help. So we want to make sure that people that actually do need the help, make sure they get that help.

Dr. Rachidi, I guess Ms. Brown had a little bit in her testimony, but your main points, you talk about the duplication and inefficiency that exists in these programs as they are currently administered. "The decentralized nature of the current system means that knowledge about how to help families with food needs is lost, and families are ultimately hurt because the system is not set up to treat them holistically and likely requires more government dollars to administer than is necessary."

And you go in your next paragraph in your written testimony, you talk about how in the last 10 years nutrition assistant has grown 78 percent, while the Earned Income Tax Credit increased 46 percent and the SSI increased 23 percent. And then you say that you don't expect a return down to prior levels.

We, obviously, from 2008, 2009, went through the Great Recession, I guess they call it, and a lot of people lost their jobs. And I want you to respond, what is happening, why did we see such a rise, almost twofold, *versus* the other assistance programs, and now we see unemployment coming down.

In my area I have employers begging for workers and can't find them. Might be kind of the energy side has kind of been driving some of that. But can you maybe elaborate a little bit on what is happening? We should be seeing food stamp costs coming down if the economy is actually improving.

Go ahead.

Dr. RACHIDI. Right. I expect it will come down, but as I mentioned in my testimony, probably not to prior levels. And there are a couple major reasons for that.

One is just changes that happened to the program around 2008 with the farm bill and other changes. One is the elimination of the asset test in most states, so there is an asset test where you can only have, I believe it is $2,000 in assets. That has been eliminated in most states. In New York we attribute much of the increase that we saw after 2008 to the economy and to the elimination of that asset test.

The other key component is the categorical eligibility for TANF, which is up to 200 percent of poverty. States have used that to then enroll families into SNAP because they are categorically eligible for SNAP if they are receiving TANF.

So I would say those are probably the two main things.

The third is the ABAWD elimination of the work requirement during the downturn in the economy, but as the economy improves that should be reinstated in most places.

Mr. GIBBS. Let me ask you a question on that, because Ohio had that program, and the Governor in certain areas where the unemployment dropped rescinded that program, but kept in it certain pockets. Is that correct, how that functions?

Dr. RACHIDI. Yes, yes.

Mr. GIBBS. Okay. Just another question for you, because you mentioned that a family of four gets $650 a month for SNAP.

Dr. RACHIDI. If they have no other income, yes.

Mr. GIBBS. If they have no other income.

They already had the discussion a little bit, during the school year if their dependents are going to school and get breakfast and lunch, that is additional, there is no factoring in, like when summer hits, there is no change in that.

There should be some more coordination between not just that, but just all the other benefits that are available to put this together in a package. And would that help with the duplication and efficiencies? That is a no-brainer. But would you have suggestions how that could happen, say, at a county level or a local level to help get the coordination of benefits so it works better?

Dr. RACHIDI. Sure. I think data sharing, I mentioned that before, but that is key, and just sharing data across programs. In New York it is difficult because WIC is operated out of the Department of Health and SNAP is operated out of the Department of Social Services, so there is not a whole lot of opportunity for coordination there.

If there was an opportunity to share more data across programs and also potentially share workers so that workers were familiar with both programs and that when they saw a family they could talk about both programs, that doesn't happen currently in New York City and I don't think we are unique in the country. I don't think that probably happens in a lot of places.

So that is just one example, that if that could be achieved, that would save on administrative costs definitely because you are reducing the amount of workers and the amount of time they have to spend with families, but it is also just helping the families because they can be treated more holistically.

The CHAIRWOMAN. If the gentleman would pause. To be fair, the clock was not running for about a minute and so I am going to have to, now that you are on the clock——

Mr. GIBBS. Oh, that is fine. I yield back.

The CHAIRWOMAN. Thank you.

The chair recognizes Congressman Aguilar.

Mr. AGUILAR. Thank you. Thank you, Chairwoman Walorski and Ranking Member McGovern.

And thank you to the witnesses for joining us.

As we know, food insecurity is a critical issue throughout this nation, which is why SNAP plays a crucial role in connecting families with accessibility to healthy and nutritious foods.

Before I ask a question, and I may only get to one, I wanted to first take a few moments and talk about recently I went through the SNAP challenge with my wife. Alisha and I completed it a few

weeks ago, following in the spirit of Ms. DelBene and Ranking Member McGovern. My wife Alisha and I in the district lived on $4.73 a day, which is the average amount for an adult CalFresh SNAP recipient. We chose to do that to learn more about the 30,000 families in my district who experience food insecurity every day and to raise awareness for hunger and nutrition.

We started by going to the store on Sunday and used the $66 amount in food to get us through the entire week. We understand that SNAP is meant to be supplemental, as Ms. Tussler mentioned, but for many families SNAP makes up the majority of their food budget, so we felt it important to try to live on just the SNAP budget. As we shopped, we were conscious of our budget and the balance between what was healthy and what was affordable, and for us that put a premium on planning, 21 meals at one time.

I did this challenge for 1 week but for tens of thousands of families in my district and thousands of families throughout this country they struggle to make that budget and to plan their meals and they struggle with food insecurity every day. Oftentimes, they are working multiple jobs and they are pressured to choose between what is nutritious and affordable. And even then they still go to bed hungry or wake up hungry without an end in sight.

I shared my experience with my constituents on Facebook and social media, and the local newspaper ran columns each day about my experiences. A few of the biggest concerns I found throughout this challenge focused in two areas. One was the concentration of families who may qualify for SNAP that are unaware that it is available to them, as some of the panelists have mentioned. And the second was communication between government and recipients so that families understand their food options and have an opportunity to better plan those healthy meals.

In the city of San Bernardino that I represent 37 percent of the population relies on SNAP to help put food on their table. I am sure that number is pretty close to what Mr. Nader sees in Detroit and other communities around this country. These families deserve access to healthy food planning for their households. For example, seeds can be purchased with SNAP funding, something I am sure many recipients are not aware of.

So here is my question, and I would like to hear from Mr. Nader and Ms. Tussler. Given the large enrollment gap we see in districts like mine, what types of resources can Congress and anti-hunger organizations provide to help alleviate food insecurity in communities with people living below the poverty line, but who have not applied for SNAP assistance? How can we help those families overcome that stigma or that barrier to register for SNAP?

Ms. TUSSLER. States are eligible to apply for SNAP outreach funding. And typically those resources go to outreach to vulnerable populations, seniors who don't know that they are eligible for the program, lots of people who think that maybe it is a program for somebody else for whatever reason, limited English proficient, elderly, blind, and disabled folk. And most of those programs are operated by nonprofits who are in touch with specific populations and can provide culturally competent services in languages other than English.

Mr. AGUILAR. Does every state apply for that outreach funding?

Ms. TUSSLER. Not every state does.

Mr. AGUILAR. Thank you.

Mr. Nader.

Mr. NADER. Thank you.

I don't rely deal with that end of the——

Mr. AGUILAR. Sure. Just the general stigma associated with it. I mean, you see families every day.

Mr. NADER. Sure. I have experienced that personally as well. I alluded earlier to the part of the Cooking Matters program where we take them to the store to shop, and Ms. Tussler also alluded to that earlier, being able to go and do that on your own, with dignity, shop, choose wisely what you would pick, and use those resources accordingly is a very important process.

Mr. AGUILAR. What more can we do to help with that process? I mean, is it continued community outreach that Ms. Tussler mentioned? Where does the government role meet that nonprofit role and that hat that you wear, no pun intended, Chef, but that hat that you wear that helps connect families and helps that education side?

Mr. NADER. I would say that is exactly what is needed. In Detroit the needs are great, and I would say that the continued education portion of this is just essential.

Mr. AGUILAR. Thank you very much.

Thank you, Chairwoman.

The CHAIRWOMAN. Thank you.

The chair recognizes Congressman Yoho.

Mr. YOHO. Thank you, Madam Chairman.

I appreciate all four of you being here with your testimony. And just kind of for the record, just one of you pick it out, maybe you, Ms. Brown, what is your definition of food insecurity? We are tasked on this Committee to be the ones reforming this program. Eighty percent of the money in the farm bill goes to nutritional programs. So for us to reform that so that we are all on the same page as we move forward, so that we are all in agreement what we are trying to accomplish, if you would give a definition. And I would like for the other ones, if you agree or not.

Ms. BROWN. Well, rather than my own personal definition, I had a feeling this was going to come up, so I brought the definition——

Mr. YOHO. Thank you.

Ms. BROWN.—that is used when they do the survey every year, the kinds of questions that they ask.

Food insecurity is household members that were at times uncertain of having or unable to acquire enough food for all household members because they had insufficient money or other resources. And then there are definitions below that for low and very low.

Mr. YOHO. Okay. For the record, that is going to be entered in there.

[The information referred to is located on p. 281.]

Mr. YOHO. Are we all pretty much in agreement with that? Does anybody differ from that on the panel?

Ms. TUSSLER. I guess I would just suggest that we believe that everybody has the right to adequate food obtained with dignity and we would add that the foods should be healthy.

Mr. YOHO. Okay. I just want clarification, because as we move forward, we are going to make policy changes, or add to or take away, and we want to make sure that we are in agreement with that.

And then, Dr. Rachidi, you brought up, what is your definition of treating these families *holistically?* What does that mean? And, again, this is for clarification.

Dr. RACHIDI. When I talk about treating a family *holistically,* I mean being able to communicate to them all of the resources that are available to them through the food assistance programs. So having a worker that has knowledge, if they can't enroll them directly into all the benefit programs, they should at least have the knowledge of those programs so that the families can be aware of those programs.

Mr. YOHO. Okay. And I am working somewhere with this.

Mr. Nader, you brought up about your background. I can appreciate that, as this panel has heard, I grew up in a wealthy family or high upper middle class until we went broke, and then my parents got divorced, our house got repossessed when I was 15, and I was out on my own at 18. And my wife and I got married at 19, and we were food stamps for a short period of time.

You brought up the thing about—Ms. Tussler, is that right, my eyes are failing me—about the dignity. And I remember having the coupons, the food stamps. And there was a stigma, but I was so thankful they were there, but it encouraged me to work harder to get off of them as quick as I could. So I don't think that is a bad thing, *per se.*

Like you, Mr. Nader, we got off of them it, but it was there for us and it did raise us up. We got in, we moved up, we moved out. And I hope that is the goal of all of this, because I hear stories like Mr. Thompson brought up of the surfer that was on one of the news channels, but, unfortunately, we see that in our districts and I hear stories about that every day. And so to reform these programs so that they do work well, we need that information.

And then I want to ask you, because as you are treating holistically, I hope we also talk about responsibility. People are out there, they are struggling, they are making a living, they are doing the best they can. Absolutely. But also when I look at programs that we are feeding breakfasts at every school, and then it was breakfast and lunch, and now it is dinner, now it is take home, where does it stop? As we are talking to people, are we counseling them on the responsibility of a family, of feeding them?

And then you were talking, Mr. Nader, about teaching people how to pick out foods properly, teaching people how to cook properly. Is that the role of the Federal Government? Where did we break down in society where it is not passed down from generation to generation?

Mr. NADER. Well, I think that preserving the SNAP aspect of that helps people get the skills so when they do, as you had done, and get off the program, you are able then to sustain that. It is the sustainability aspect of that educational piece.

Mr. YOHO. I have one more question, and if you guys, if you don't have time to answer this, if you could put it in a written answer. We have heard over and over again that there are a lot of pro-

grams doing the same thing. Is there a way to centralize this so that we don't have two or three different agencies and 18 different programs sending all this out for the duplication?

And I understand the argument of the duplication, how it does cover some people that might have been missed. But if we can centralize, it will cut the cost and make it more effective. If you could respond to that, it would be greatly appreciated.

Thank you.

[The information referred to is located on p. 281.]

The CHAIRWOMAN. Thank you.

The chair recognizes Congresswoman Adams.

Ms. ADAMS. Thank you, Madam Chairman.

Thank you, ladies and gentleman, for your testimony.

I appreciate the Government Accountability Office's mentioning that participation in SNAP and WIC and school meal programs are associated with positive health and nutrition outcomes. We need to do that.

I recently hosted a roundtable in Greensboro where I live, in North Carolina, to discuss food hardship in my district. I heard firsthand testimony of Melanie Noble, a SNAP recipient, who struggled for 3 months to re-certify her family's benefits after she moved to Greensboro from Pennsylvania. While living in a homeless shelter with her two children she had to depend on donations from other SNAP recipients in order to feed her family.

According to the Food Research & Action Center, the Greensboro-High Point area, where I live, currently ranks first in the nation for households struggling to pay for food through the end of the month. From the Triad to Charlotte, communities in the 12th District of North Carolina are above the national average when it comes to struggling to put food on the table.

SNAP benefits are simply not enough. Other Federal food programs such as school meals and food commodity programs help families make it to the end of the month. Each agency that administers a food program has the capacity to maximize access to these programs for their specific constituents.

So any review of food programs must thoroughly examine the consequences of consolidating programs. We can't allow families who are currently eligible and need food assistance to be denied support in order to reduce cost.

Dr. Rachidi, the story that I just shared about Ms. Noble is an example of churn, households going off, coming back on SNAP within 4 months due to a life change in circumstances. Churn is not only inefficient, but expensive. So do you have any recommendations about how to lessen churn?

Dr. RACHIDI. In practice, because we often would hear about churning, and I am talking mostly about SNAP, when people have volatile income where they have changes in income frequently, in the program they really don't report that until every 6 month recertification period. So that provides them with a little bit of a grace period in terms of their benefits. And so this idea that people go on and off, it really is more related to the certification periods, which are 6 months to a year. So people don't go on and off SNAP every month.

Ms. ADAMS. Okay. Ms. Tussler, it has been mentioned that the School Lunch Program and the School Breakfast Program are managed separately, which could lead to an increase in administrative costs. Would combining the administration of the lunch and breakfast programs make it more difficult for schools to participate in the School Lunch Program?

Ms. TUSSLER. Combining the administration would definitely streamline things under the Community Eligibility Provision. What we found is that schools can provide meals to 100 percent of the student body, breakfast after the bell, lunch in a more organized fashion as a result of not having to collect paperwork and PINs from students who are waiting to eat.

And so in school districts that have 60 percent or higher levels of poverty, which is many, many school districts, in Milwaukee the entire school district, the Community Eligibility Provision allows the school district to feed all children that are in our care when they are in our care. So I think that Community Eligibility Provision is something that the Committee should consider and take back to their communities because we know that it works.

Ms. ADAMS. Thank you.

Mr. Nader, quickly, what do you believe is the biggest barrier to improving the nutrition of SNAP recipients? Is it the cost of fresh produce, for example?

Mr. NADER. Well, that is definitely one. I think we do teach, while fresh produce is ideal, unfortunately, not everybody has access to that. So therefore in that program we make sure that we talk about frozen and canned produce as well, because we have to be honest and realistic with it. The cost is definitely one of the issues for sure.

Ms. ADAMS. Thank you.

Madam Chairman, I yield back.

The CHAIRWOMAN. Thank you.

The chair recognizes Congressman Moolenaar, for 5 minutes.

Mr. MOOLENAAR. Thank you, Madam Chairman.

I want to thank all of you for speaking with us today.

And, Mr. Nader, I also want to thank you for sharing your story with us. And as a Michigan person, I appreciate what you are doing for the Lions and also for the people of Detroit. I appreciate your efforts.

I wanted to talk with all of you, maybe we could start with Mr. Nader, about the role of the private sector and the faith-based community. One of the things that struck me about what you said about the Cooking Matters program is that you have really been able to form partnerships. And you mentioned Wal-Mart and some others.

What have you found helpful, if you would start us off, engaging the private sector and kind of mobilizing resources that way?

And if each of you could kind of respond to that as well.

[The information referred to is located on p. 282.]

Mr. NADER. Sure. The model we use at Cooking Matters in particular is there is some SNAP-Ed funding that goes with that, and then, just as you stated, some of our community partners, as well as corporate partners to help sustain a program like that. Because

it is very formatted and structured and there are materials that come with it. There are costs to it aside from the food costs as well.

I could get back to you as far as to the actual breakdown of how that works with the SNAP, what actually comes out of the SNAP-Ed.

But it is a little bit out of my expertise. I am on the front line teaching these classes, but I know that that model has been working good for our program.

Mr. MOOLENAAR. You mentioned yourself as a chef and a nutritionist that works, and one of the needs you have is for more volunteers to maybe help with this. What have you found is probably the best motivation for people to be engaged in the program?

Mr. NADER. It is kind of a vocational call. When I am talking to fellow chefs as members of the food community, I feel that we are obligated in a sense to participate on that level. And so that is kind of how I approach it with the chefs.

As far as the nutritional side, that is a little more technical, but I feel like at least some of the registered dieticians that we have used and people that are in the medical field on that end, they kind of feel the same way as well.

Mr. MOOLENAAR. Thank you.

Ms. TUSSLER. Hunger Task Force is our nonprofit and last year we raised $6,174,000 in private sector resources. The farm is supported by the Harley Davidson Foundation. Many of our food drives are supported by Johnson Controls, MillerCoors, Northwestern Mutual. Kohl's Department Stores pays for all the summer suppers to the tune of $500,000. Individuals volunteer, as many as 7,000 annually.

And Hunger Task Force is able to collect more than 59 percent of the food that we distribute from the local community, not relying on large corporate resources, but instead food drives. And so I think that we have organized sort of the local community in a really great way, a great tribute to the citizens of Milwaukee for their efforts.

But I don't think that the efforts of those people could any way, shape, or form replace the effect of the SNAP program on a community, because the work that we do, and the Federal budget would reflect, about four percent of it is TEFAP and 70 percent of it is SNAP. And so if we dismantle SNAP and we push people towards charity, we are going to break charity. And charity is 70 year old people from churches.

So there is only so much they can do, there is only so much that the private sector can handle, and there is only so much demand that each community can meet.

I would like to remind everybody that I grew up in 1977 when there weren't food banks across the nation, when there weren't soup kitchens and homeless shelters, before we had sort of large and wide-scale poverty in our nation. And we should stop allowing it, and we should start questioning why we think it is okay to have food banks. I operate one. I would welcome people to put me out of business.

Mr. MOOLENAAR. Dr. Rachidi, did you have a comment about this at all?

Dr. RACHIDI. I definitely think there is a role for private sector and charities. I think it is not realistic to think that a Federal program can provide for every situation of every family and every food need. So I do think that there is a role for the private sector.

Ms. BROWN. Well, I was thinking about Milwaukee and how one of the things that we notice when we go from place to place across the country looking at programs is not every local community has the same amount of mobilization and support. And so our concern would be trying to make sure there was equity across different areas.

Mr. MOOLENAAR. Thank you.

I yield back. Thank you, Madam Chairman.

The CHAIRWOMAN. Thank you.

Congresswoman Lujan Grisham.

Ms. LUJAN GRISHAM. Thank you, Madam Chairman.

And I too want to thank this panel. The resounding theme, and I think also the purpose of this Subcommittee is that we would all rather not be talking about the need for additional programs. I, like everyone else, would like to stamp out hunger in this country and I am dismayed every minute of every day that we aren't there.

And, in fact, I represent a district and a state with the hungriest children in the country and one of the highest adult hunger situations in the country. It is demoralizing, it is inappropriate, and it is something that we can work together to absolutely eradicate. And so each of your roles to get there is commendable and incredibly important.

And I recognize the value too of figuring out the best ways to administer these programs and the best ways to leverage them. I was the cabinet secretary for the aging department in New Mexico for 14 years, so three different governors, two parties. And I will tell you that government eligibility standards nearly drove me to drink. So they are difficult.

And one of the things I want to think about is, while we can debate categorical eligibility and the benefits of that and some of the weaknesses potentially in that, the fact that we don't do data sharing, the fact that it is very difficult to administer programs. I have a senior center with a childcare center, because grandparents are raising grandchildren. That is another statistic that my state is one of the highest in the country.

But we can't do meals for kids at that center and we can't use senior center funding for meals for seniors because the Federal Government doesn't allow you to leverage, because we call that supplanting, one program for another. And if you touch those programs, by and large, we are a little bit better today, I am old, but we are a little bit better today, but not much. And, in fact, you are penalized, really it is counterproductive to leverage programs, to administer together, to share data.

Similarly, we are now doing community school-based health centers that provide health care not just to the students, but the entire families, yet we can't share food in a school setting, and a grandparent or a parent who is hungry is no good at helping the other social issues that that child has. I mean, having these huge gaps doesn't make any sense.

So I have a question, I promise, in here somewhere.

The second thing is really I appreciate that even though I was not here for every question, I really appreciate that there was some discussion about what is appropriate. We don't do really any therapeutic diets in any of these programs because we can't afford to do that.

Your point, Ms. Tussler, about grapefruit juice is well taken. Now let's talk about a recent study about vitamin D deficiencies and dementia which costs this country hundreds of billions of dollars but is preventable. That is before we talk about vitamin B deficiencies, where if you don't deal with that deficiency and you don't meet the right nutritional standards and you don't have the right nutrition, then you have permanent dementia. We are right back to hundreds of billions of dollars dealing with diabetes, health care, dementia, and long-term care services.

So if we were to leverage better and we eradicate hunger and we do all the things that we know would make a difference, could we at the Federal level, to promote the sharing of the data of these programs and leveraging information so we do single delivery. We must be really clear that the centralized kitchens for seniors can be used in these varying ways and that school kitchens and your work, Mr. Nader, is there a way to promote the sharing among those Federal programs, which are today mandated not to work together? Do you think that could have an impact in promoting best practices in the states? Anyone?

Dr. RACHIDI. Well, I definitely do. I think the fact that it is a fragmented system starting at the Federal level is much of the reason why that trickles down to the state and local level.

Ms. LUJAN GRISHAM. Okay.

Ms. BROWN. And I would just like to add the idea, our recommendation that the USDA form a panel that brings in people from all different levels, Federal, state, and local, and people that have had experiences like you and others on the panel have had, that can share together and look at where the gaps are and where there are opportunities for more efficiencies. It starts at the Federal level. And I can't resist saying it, also the fact that this crosses over multiple Congressional committees creates a challenge as well that needs to be dealt with or overcome.

Ms. LUJAN GRISHAM. Absolutely.

Well, I really appreciate that perspective because I agree, and I think that we could promote that as a best practice and maybe mandate it in some form. I think we would see some pretty incredible results. So I appreciate your work.

And with that, Madam Chairman, I yield back.

The CHAIRWOMAN. Thank you.

The chair recognizes Congressman Abraham, for 5 minutes.

Mr. ABRAHAM. Thank you all for being here.

I have lived and practiced medicine in the Louisiana Delta all my life, so my district is certainly one of the most poorest in the nation. They have major newspapers come down and do full-page reports on us as to how poor we are. So it is critical. I mean, I have seen hunger, and I don't think there would be anybody in this room that would want a child or an adult in America to go to bed hungry.

I am looking, Ms. Brown, I will direct I guess my comment and my question to you, I am looking at page 2 of the GAO highlights that you provided us, and thank you for that. And I counted down and there were 18 programs, and you can correct me if I am wrong, it looked like about ⅓ of them are targeted for children.

And I guess my question or my comment is, with the shrinking dollar, the shrinking economy that we are having to deal with, and up on the boldface it says the Federal Government spends about $100 billion on these 18 programs in the Fiscal Year 2014, so we are going to have to get more efficient with our dollar it looks like.

Are these programs, especially the six or the ⅓ that are targeted for children, are they coordinated where you are getting your most for your product? Are most of the children getting positive results? Or are these programs just kind of, well, this one may work, this one doesn't, let's see, let's throw them in the pot and see what happens?

Ms. BROWN. Well, first of all, it is not surprising that so many of these programs are targeted to children, because over time as there is a need defined, then new programs have been started. But we certainly see an opportunity for better coordination and better looking systematically across those programs to see whether there are efficiencies that could be achieved.

Mr. ABRAHAM. Dr. Rachidi, you said that WIC and SNAP are administered by two different Federal agencies. Is it even logical to assume that as Congress we can attain that goal? Is there hope out there that we can coordinate these programs and make them more efficient?

Dr. RACHIDI. I think it would be difficult to completely combine them and coordinate them. But there are opportunities to take a look at certain aspects of the program that could be coordinated. I don't know all the details of that, but there definitely are things around. Just even the retailer certification that I described earlier, it is completely separate in the two programs.

There are certain areas, but, yes, I think it is probably unrealistic to think that they are going to be completely combined and operate out of one Federal agency.

Mr. ABRAHAM. But there certainly is room for improvement and for some coordination that we could legislate, hopefully, and make them more efficient programs for our people.

Dr. RACHIDI. Yes, definitely.

Mr. ABRAHAM. Ms. Brown, you have a comment?

Ms. BROWN. I was just going to say that we just released a report today looking at services that are needed to help older adults stay in their community. And when we are talking about children, it is also important to think about the fact that we have a number of programs that are serving older adults that do everything from delivering meals to homes, to congregate meals, to parts of the SNAP program. And this is an area where we expect the demand to increase dramatically, and it will be all the more important to make sure we are using these resources efficiently.

Mr. ABRAHAM. Okay. Thank you.

I yield back, Madam Chairman.

The CHAIRWOMAN. Thank you.

The chair recognizes Congressman Davis, for 5 minutes.

Mr. DAVIS. Thank you Madam Chairman. Can I possibly get the minute 14 seconds he yielded back too?

The CHAIRWOMAN. That would be negative. So continue.

Mr. DAVIS. That is all right, that is all right

Mr. Nader, great to see you again. It was great to speak with you. I thought you promised me yesterday when we met in my office that you were going to bring me examples of what you cooked for Ndamukong Suh when he was playing for the Detroit Lions. I see nothing.

Mr. NADER. That is correct.

Mr. DAVIS. Well, much appreciated. We will welcome you back another time to demonstrate some of the things that you do within your Cooking Matters program too.

So thank you for what you do. I am sorry I missed your opening testimony. I appreciate all of you being here, and this is a great opportunity for us here in Congress to get an idea of how certain program are implemented and the concerns and the problems that you may have with those programs being implemented.

I will get to my first question for Mr. Nader. And I hope I am not redundant, so forgive me if you have already answered this. But you benefited from both SNAP and school meals as a kid. And can you expand a little bit on how those actually worked with you and your family?

Mr. NADER. Well, I mean, the Lunch Program speaks for itself. That was most often the program that we used. And then with the SNAP benefits, again, there were small times and needs. And the way the auto industry economy worked back when I was a kid there would be plant shutdowns or downturns when things wouldn't, and that is when things would get tough and we would have to go on a program?

But it was never really a permanent situation, luckily. And that is a big misconception, that there are a lot of folks that are on it and then they stay on it. The fact is these are working families and then they utilize the supplemental aspect of this when needed.

Mr. DAVIS. In your case, yes, that was the case. And are you seeing that same trend with many of the participants in your Cooking Matters class too where they are on and off the programs?

Mr. NADER. Yes. Again, I believe in our particular case in the Detroit community that is the same thing. Many of the families and the kids of the families I am working with are working families and they are just simply not making enough money to carry through all the way, and then that is where that supplemental aspect comes in.

Mr. DAVIS. Okay. Well, thank you again. And, again, I wish you success this year except against my Oakland Raiders. That is all I can say.

Mr. NADER. Thank you.

Mr. DAVIS. Dr. Rachidi, I used to work for another Member of Congress and during and after disasters on an annual basis DHS through FEMA would offer assistance for communities. And it seemed to me that it could possibly be redundant. And I know your experience in New York City. Can you tell me if are there any issues that you may have faced with redundancy between USDA

programs, DHS programs, and anything you would offer us as a Committee to try and fix that?

Dr. RACHIDI. Well, the emergency food programs are a little bit redundant. It seems like from my perspective the CBOs that have to kind of cobble together the different funding sources to support their emergency food programs, it does seem—and redundant may not be the right—just not coordinated. And why does it have to be from two different funding sources when really it could be from one?

And then in terms of really the emergency aspect of it, in New York City when we had Hurricane Sandy, I know that there was coordination across those two different programs, and so it happened, but really ideally, again, why should you have to coordinate across two different programs that are really providing the same thing? So it has to happen, you have to coordinate during emergencies, but really it shouldn't be like that.

Mr. DAVIS. So what you are recommending is that USDA get control of all of these programs so this Committee has jurisdiction, right?

Dr. RACHIDI. You said that.

Mr. DAVIS. Oh, you just did. Thank you for your recommendation.

Madam Chairman, I yield back the balance of my time, but thank you all again.

The CHAIRWOMAN. Thank you.

The chair recognizes Ranking Member McGovern for 1 minute for a wrap.

Mr. MCGOVERN. That is it, 1 minute?

The CHAIRWOMAN. Yes, a minute. We doubled from last week.

Mr. MCGOVERN. Oh, yes. Well, thank you.

Let me just say that I am all for better coordination, and we ought to be able to do that. And there are challenges because, as was mentioned, a lot of these anti-hunger and nutrition programs fall under multiple committees in Congress, under multiple agencies.

But I am also for a plan to end hunger. We don't really have a plan in this country to end hunger. With this Administration, and the previous Administration, I have been urging the White House to put together a White House conference on food, nutrition, and hunger and bring all the various agencies and all stakeholders in the room, and the beneficiaries, together and work this out.

I don't know how practical it is to say we are going to legislate that all anti-hunger and all nutrition programs will fall under one committee, but a far less arduous task is to ask the White House to do meetings with various people from various agencies on this issue. These are solvable problems.

Let me just say one other thing here. My colleague, Mr. Yoho, mentioned that we are tasked with reforming the SNAP program. I get really nervous when I hear that. I want us to first fund it adequately and I want us to make it work as best as possible. The reason why we have all these other programs that we are talking about is because there is a need, there is a need that wasn't being met by the existing benefit, and that is just a reality. And anybody who tells you, and I have to say this, I really feel strongly about

this, that this benefit is enough ought to live on it. Ms. Tussler talked about the 76 year old woman Molly who because of what this Committee did in the farm bill saw her benefit go from $90 to $16 a month. That is crazy.

So let's organize, let's try to get the White House to take leadership on this, and let's figure out how best to do this.

Let me say one last thing here because I want to make sure the record is corrected on this. We heard a couple of times mentioned the guy who is a surfer on food stamps. That is not the reality of the program, and it is our job to tell anybody who says it is that it isn't. The majority of people on this program are kids, are senior citizens, are those who are disabled. And of those who are able-bodied, the majority of them work.

Given the opportunity between working at a job that pays a wage where I wouldn't have to rely on this benefit or a job that I have to work full-time and I still need to rely on SNAP, we know what people would decide. So let's not demonize this program by taking some examples that may have appeared on some news show. I won't mention the name of the news show.

But the point of the matter is we ought to make sure that the narrative that we are echoing here reflects the reality. And we can do this. We also need to make sure that the funding for these programs, for SNAP in particular, is adequate.

And I thank the Chairwoman for her indulgence.

The CHAIRWOMAN. Thank you, Mr. McGovern.

I just want to add my thanks to the panelists in this hearing. I think this hearing today exemplifies why we are even meeting on this Committee. We have heard good information. We have heard information that there are efficiencies. We have heard it from both sides that this issue with data is clearly something that needs to be looked at, and that the fact-finding that we are looking for is exactly what we found today.

And Ms. Tussler talked about over-regulation of the Commodity Supplemental Food Program, which is exactly why we want to look at these programs to have an actual in-depth look at the past, the present, and the future, and what can we do better, because we can always do better. That is really what the focus of the Committee has been, and I think that is what we have heard today, good, solid information that helps us make decisions because you are the experts.

I very much appreciate you being here today. I appreciate all the input.

So under the rules of the Committee, the record of today's hearing will remain open for 10 calendar days to receive additional material and supplementary written responses from the witnesses to any question posed by a Member.

This hearing of the Committee on Agriculture Nutrition Subcommittee is adjourned.

[Whereupon, at 3:45 p.m., the Subcommittee was adjourned.]

[Material submitted for inclusion in the record follows:]

SUPPLEMENTARY MATERIAL SUBMITTED BY KAY E. BROWN, DIRECTOR, EDUCATION, WORKFORCE, AND INCOME SECURITY, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Insert

Ms. BROWN. Well, rather than my own personal definition, I had a feeling this was going to come up, so I brought the definition——

Mr. YOHO. Thank you.

Ms. BROWN.—that is used when they do the survey every year, the kinds of questions that they ask.

Food insecurity is household members that were at times uncertain of having or unable to acquire enough food for all household members because they had insufficient money or other resources. And then there are definitions below that for low and very low.

Mr. YOHO. Okay. For the record, that is going to be entered in there.

Food insecure—At times during the year, these households were uncertain of having, or unable to acquire, enough food to meet the needs of all their members because they had insufficient money or other resources for food. Food-insecure households include those with *low food security* and *very low food security.*

Low food security—These food-insecure households obtained enough food to avoid substantially disrupting their eating patterns or reducing food intake by using a variety of coping strategies, such as eating less varied diets, participating in Federal food assistance programs, or getting emergency food from community food pantries.

Very low food security—In these food-insecure households, normal eating patterns of one or more household members were disrupted and food intake was reduced at times during the year because they had insufficient money or other resources for food.

SUPPLEMENTARY MATERIAL SUBMITTED BY ANGELA K. RACHIDI, PH.D., RESEARCH FELLOW IN POVERTY STUDIES, AMERICAN ENTERPRISE INSTITUTE

Insert

Mr. YOHO. I have one more question, and if you guys, if you don't have time to answer this, if you could put it in a written answer. We have heard over and over again that there are a lot of programs doing the same thing. Is there a way to centralize this so that we don't have two or three different agencies and 18 different programs sending all this out for the duplication?

And I understand the argument of the duplication, how it does cover some people that might have been missed. But if we can centralize, it will cut the cost and make it more effective. If you could respond to that, it would be greatly appreciated.

I believe there are opportunities for coordination at the Federal level that could improve efficiencies. The ultimate goal should be one oversight agency that administers all the programs and a consolidation of programs to the extent possible that maintains the need for specialization. However, this would require a major restructuring that would likely take years. In the meantime efforts to coordinate across programs through the sharing of data, technology, and expertise could be helpful. This includes access to data across Federal agencies, consolidating the authorization and monitoring of retailers across programs, and coordinating nutrition education programs. Centralizing these functions and sharing data likely would increase efficiencies and reduce costs.

SUPPLEMENTARY MATERIAL SUBMITTED BY JOSEPH NADER, EXECUTIVE CHEF, LEVY RESTAURANTS AND DETROIT LIONS; VOLUNTEER CHEF, SHARE OUR STRENGTH'S COOKING MATTERS

Insert 1

Mr. YOHO. I have one more question, and if you guys, if you don't have time to answer this, if you could put it in a written answer. We have heard over and over again that there are a lot of programs doing the same thing. Is there a way to centralize this so that we don't have two or three different agencies and 18 different programs sending all this out for the duplication?

And I understand the argument of the duplication, how it does cover some people that might have been missed. But if we can centralize, it will cut the

cost and make it more effective. If you could respond to that, it would be greatly appreciated.

There is some overlap in the child nutrition programs, but this overlap is in their administration, not in the provision of food to hungry kids. These programs are designed to work together to meet the specific needs of children—providing food to kids where they are, when they need it, and with the proper nutrition for their age. The Supplemental Nutrition Assistance Program (SNAP) is in fact "supplemental"; it is not designed to meet the entire nutrition needs of a family and the SNAP-Ed program teaches families how to shop for and prepare healthy food on a budget.

School age kids from SNAP families sometimes eat breakfast at home and bring a lunch to school. However, oftentimes those benefits may have run out or food isn't available at home and children need a healthy meal to do well in school. The meals are there for low-income kids when they need them. There are 25 million children who could get a free or reduced price lunch at school each day, but only 21.7 million do so—and it is not the same kids every day. When school is out, the Summer Food Service Program is intended to replace those meals, unfortunately the serving model only works for a limited number of kids and only 3.5 million children who are eligible are getting a meal. For children not of school age, there is WIC, which provides a tailored prescription of healthy food for early childhood development.

On to where there may be overlap. The child nutrition programs operate in a public-private partnership model where private organizations and local schools provide valuable services and healthy food to kids, and the Federal Government reimburses the cost of the meal. For example there are great programs after school at Boys and Girls Clubs, YMCAs, churches and food bank. During the school year, these organizations provide programming and a healthy snack. Over the summer the same organizations may provide the same services, to the same kids, and the same locations and times. However, they cannot use the same Federal program. They have to flip to another program and fill out a new application and fulfill new reporting requirements and have slightly different meal standards and reimbursement rates and go through another site inspection. Organizations share that this is an unnecessary hassle and that they want to focus on providing great education, athletic, and arts opportunities to children and not spend their time on another bureaucracy doing the exact same thing they were approved to do the week before when school was still in session. A solution would be to streamline the CSFP and CACFP at-risk afterschool meals program into one program for schools and nonprofit organizations to operate more efficiently.

Insert 2

Mr. MOOLENAAR. . . .

What have you found helpful, if you would start us off, engaging the private sector and kind of mobilizing resources that way?

And if each of you could kind of respond to that as well.

Share Our Strength's Cooking Matters program teaches participants to shop smarter, use nutrition information to make healthier choices and cook delicious, affordable meals. Founded in 1993, Cooking Matters and thousands of volunteer instructors have helped more than 265,000 low-income families in communities across the country learn how to eat better for less. Cooking Matters is an example of collaboration between nonprofit organizations, private investment, and public sector funds. The Walmart Foundation is the national sponsor of Cooking Matters and many private companies provide funding to local organizations, like food banks or community centers, to support their Cooking Matters programs.

SNAP-Ed (Supplemental Nutrition Assistance Program—Education) is a Federal-state partnership that supports nutrition education for persons eligible for the Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps. The goal of SNAP-Ed is to provide educational programs and conduct social marketing campaigns that increase the likelihood that people eligible for SNAP will make healthy food choices within a limited budget.

Cooking Matters partners across the country receive SNAP-Ed funding for their nutrition education work. In Massachusetts, the support provided by SNAP-Ed through the Massachusetts Department of Transitional Assistance has allowed the program to offer approximately 60 6-week courses and 100 Cooking Matters at the Store tours each year, serving almost 1,300 SNAP beneficiaries.

In Maine, Cooking Matters is operated through the Good Shepherd Food Bank. The Maine Department of Health and Human Services (DHHS) administers SNAP-Ed and it is implemented through a contract with the University of New England (UNE). The public SNAP-Ed funding is complemented by private funds from Hanna-

ford and the Walmart Foundation, and with funds from Share Our Strength's national organization, including curriculum development and materials.

SUPPLEMENTARY MATERIAL SUBMITTED BY SHERRIE TUSSLER, EXECUTIVE DIRECTOR, HUNGER TASK FORCE

June 5, 2015

Hon. TED S. YOHO,
House of Representatives,
Washington, D.C.

Dear Congressman Yoho:

I had the opportunity to testify to you on Duplication in the Federal Nutrition Assistance Programs on May 20, 2015. At that time, you were interested to know if there was any one solution to the concern for duplication:

> I have one more question, and if you guys, if you don't have time to answer this, if you could put it in a written answer. We have heard over and over again that there are a lot of programs doing the same thing. Is there a way to centralize this so that we don't have two or three different agencies and 18 different programs sending all this out for the duplication?
>
> And I understand the argument of the duplication, how it does cover some people that might have been missed. But if we can centralize, it will cut the cost and make it more effective. If you could respond to that, it would be greatly appreciated.

The Federal nutrition programs are directed through various state agencies and their authority is further delegated to community institutions like welfare offices, clinics, schools or food banks. Each of these state agencies and later, its local administrative counterpart, is required to maintain proof of eligibility for specific programs. Often, this means multiple levels of qualification for seemingly duplicative programs which often have similar income benchmarks.

I would suggest that current technology used in combination with a single Federal nutrition program eligibility test could reduce burdensome duplication and ease barriers to program access for vulnerable people. Significant cost savings would ultimately be realized by substantially reducing program administrative costs through modernized data sharing.

Federal and state governments possess a great deal of data about individuals including date and place of birth, household size, address, income, conviction status and assets. Existing information could be accessed by a single qualifying state-run organization to determine eligibility for the Federal nutrition programs like the Supplemental Nutrition Assistance Program (SNAP), Women Infants and Children (WIC) and School Meals. Cards would be issued to qualified individual recipients, and point of service terminals would read eligibility based on income and age.

SNAP and WIC rely on debit card technology to spend resources. If this debit card technology were also employed for school meal programs, people eligible to receive benefits could swipe their card before receipt of service. For example, I keep my health insurance card in my wallet and it is accepted at a doctor's office, a pharmacy and a hospital. A "food insurance" card could be issued to qualified individuals who would swipe it to prove eligibility at the store, a farmers market or school meals line.

A unified School Meals Program could eliminate both the Child and Adult Care Food Program (CACFP) and the Summer Food Service Program (SFSP), providing year-round healthy meals to all children 18 or younger (21 or younger if disabled) at their school or child care facility. This would significantly reduce burdensome reporting at schools, child and adult care settings, summer programs, and after school sites.

Another simplification could occur when seniors would be eligible for either SNAP or home delivered meals—whichever was most relevant based upon their housing status and ability. The Commodity Supplemental Food Program (CSFP) and Senior Nutrition Programs could be discontinued, and resources could be reinvested in providing sufficient SNAP benefits to be healthy, or home delivered meals for the frail who are no longer able to shop or cook.

Finally, The Emergency Food Assistance Program (TEFAP) could be eliminated. Under this scenario, all people with household income at 135% of the Federal Poverty Line (FPL) would receive SNAP benefits sufficient to purchase food for their household members at the grocery store. Food banks, food pantries and soup kitchens could be closed when people relying on them are given SNAP/WIC or School

Meals assistance sufficient to no longer need charity. Funding currently used to purchase Federal commodities and provide agricultural price supports would go directly into funding SNAP. While eliminating the purchase of Federal commodities could result in initial variability of food pricing, ultimately food producers would rebalance and grow only the foods desired by people shopping for food. Significant cost savings could occur as the USDA stops subsidizing agribusiness.

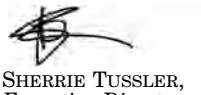
As you consider these ideas, I encourage you to think about how many of the Federal nutrition programs have direct linkages to agricultural price supports and food producers. These programs manage excesses in production by directing foods into school nutrition programs, senior meal programs and commodity distributions like CSFP and TEFAP.

Recognizing these interrelationships have a purpose extraordinary to "feeding the poor" is critical as you consider broad changes to the food system.

Programs like SNAP and WIC that offer food buying power also are economic drivers in local communities. They are money to buy food and, as such, buoy our economy and assure markets for farmers, retailers and the transportation industry. Decreases in SNAP hurt these businesses and shift the burden for supporting farmers back to government as the balance between supply and demand shift.

Everyone wants less government. Everyone wants programs that are operated effectively. Everyone wants a healthy economy and a strong food system. Thank you for the opportunity to comment. If you ever visit Milwaukee we hope you stop in to see us!

Sincerely,



SHERRIE TUSSLER,
Executive Director.

SUBMITTED LETTER BY BARB PACKETT, CHAIR, EDUCATION/PUBLIC POLICY COMMITTEE, NATIONAL CSFP ASSOCIATION

May 29, 2015

Hon. JACKIE WALORSKI,
Chairwoman,
Subcommittee on Nutrition,
House Agriculture Committee,
Washington, D.C.;

Hon. JAMES P. MCGOVERN,
Ranking Minority Member,
Subcommittee on Nutrition,
House Agriculture Committee,
Washington, D.C.

Dear Representatives Walorski and McGovern,

Thank you for your leadership in working to strengthen America's Federal nutrition programs.

The Nutrition Subcommittee of the House Agriculture Committee held a hearing on May 20, 2015 entitled "The Past, Present, and Future of SNAP." During that hearing there was testimony regarding additional Federal nutrition programs, including the Commodity Supplemental Food Program (CSFP) serving seniors. Although the testimony regarding CSFP was overwhelmingly positive, there were two comments that questioned the quality of the food in CSFP. The National CSFP Association (NCSFPA) was concerned that those comments were inaccurate and may contribute to an unfair impression of the quality of food available in CSFP.

Specifically, one speaker criticized the quality of beef stew available in CSFP. Please note that USDA no longer provides USDA labeled commodities through their nutrition programs. The goods available today through programs such as CSFP are commercially labeled. The same beef stew available through CSFP may be found on grocery store shelves throughout America. To their credit, USDA has been very intentional about purchasing foods that provide the best nutrition (*i.e.,* canned vegetables with reduced sodium, fruits in extra light syrup, whole-wheat noodles, low fat cheese, *etc.*). Some of those food package improvements are highlighted in **Attachment A.** One of the great benefits of CSFP is that it provides a nutritionally balanced monthly food package to vulnerable seniors each month. Within each of the food categories (*i.e.,* meats, fruits, vegetables, and grains), there are a variety of

products from which to choose. This flexibility helps to address regional, cultural, dietary, and personal preferences. In the example of beef stew, if beef stew is unpopular in a particular region, the CSFP program operator need not order beef stew and may order from among several other meat choices.

There was a second reference to the undesirability of grapefruit juice. In fact, grapefruit juice has not been available in CSFP since 2004, over eleven years ago.

The NCSFPA understands that one of the purposes of the Subcommittee's hearing was to identify where overlap, duplication, or inefficiency exists within our Federal nutrition programs. The NCSFPA believes that CSFP operates very efficiently and plays a unique role in supporting the health of vulnerable seniors through improved nutrition. In fact, an April 2014 Government Accountability Office (GAO) report entitled 'Creating a 21st Century Government: Enhancing Productivity and Achieving Cost Savings by Reducing Fragmentation, Duplication, and Overlap' (**Attachment B**) reported:

> **Domestic Food Assistance (area 29, 2011)** In February, the President signed into law the Agricultural Act of 2014, which included a provision that addresses an area of duplication identified by GAO, between the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and the Commodity Supplemental Food Program (CSFP). Pursuant to this provision, CSFP will focus on serving seniors, while pregnant and postpartum women, infants, and children needing assistance in the future will be served through the WIC program.

Any perceived duplication related to CSFP was addressed when it transitioned to a seniors-only program.

CSFP supports senior health through improved nutrition. Hundreds of grassroots charities, with the aid of thousands of volunteers, delivery nutritionally balanced food packages to 600,000 vulnerable seniors each month. The NCSFPA is also pleased to report that USDA is an excellent partner in this endeavor. Of particular note is the initiative USDA has demonstrated in continually working to advance improvements in the nutritional quality of the CSFP food package.

CSFP is a shining example of what is working well in the arena of our Federal nutrition programs. Thank you for supporting successful program such as CSFP. We also want to thank the House Agriculture Committee and Congress for their action, establishing CSFP as an elderly-only program. Additionally, we want to thank the GAO for acknowledging the change to the CSFP program. If you have any questions, you may contact either Frank Kubik [**redacted**], Barb Packett [**redacted**], or Mark Lowry [**redacted**].

BARB PACKETT, *Chair,*
Education/Public Policy Committee,
National CSFP Association.

CC:

NICOLE SCOTT,
LISA SHELTON,
FRANK KUBIK,
MARK LOWRY.

ATTACHMENT A

Recent CSFP Food Package Improvements

- In 2011, USDA began offering one percent ultra-high temperature fluid milk (UHT milk) to replace evaporated whole milk in CSFP. UHT milk has less calories, saturated fat, total fat, and cholesterol per serving than the evaporated milk traditionally offered in the program.
- In 2011, USDA lowered the sodium level in reduced-fat cheese from 340 milligrams (mg) to between 150 to 225 mg per ¾ ounce serving. USDA began offering reduced-fat cheese in place of full fat cheese in the CSFP food package in 2005. Reduced-fat cheese has only 3 grams of total fat, 2 grams of saturated fat, and 10 grams of cholesterol per a ¾ ounce serving.
- Beginning in 2011, most canned fruits will be packed in extra light sucrose syrup instead of light syrup to reduce added sugars, particularly high fructose corn sweetener. Sucrose is ordinary table sugar.

- Beginning in 2011, some canned vegetables, such as whole kernel corn and whole and diced tomatoes are being offered with no salt added. This is a further improvement upon changes made in 2010, when the sodium level in all USDA canned vegetables was reduced to 140 mg or less per ½ cup serving, a level which meets the Food and Drug Administration's definition for 'low sodium' foods. Sodium levels in the meatless spaghetti sauce were also reduced to 140 mg per ½ cup serving in 2010.
- In 2009, USDA began offering whole-wheat rotini, as an alternative to CSFP's other pasta and rice products. With 2 grams of dietary fiber per ½ cup serving, whole-wheat rotini further brought the CSFP food package in line with the Dietary Guidelines for Americans.
- In 2007, USDA changed the specification for canned chicken to allow only chicken without skin. This lowered the fat content of the product and brought it [in] line with recommendations made in the 2005 Dietary Guidelines for Americans.
- USDA offers salmon as an alternative Protein category food item in the CSFP food package. Salmon provides 25 percent of the daily recommended amount of calcium.
- USDA also offers other food items in the CSFP food package, such as unsweetened apple sauce and whole grain cereals that meet the principles of the Dietary Guidelines for Americans.

September 2011.

ATTACHMENT B

Creating a 21st Century Government: Enhancing Productivity and Achieving Cost Savings by Reducing Fragmentation, Duplication, and Overlap

Executive Summary

- Since the beginning of the Administration, the President has made it a priority to identify and eliminate inefficient, unnecessary, or duplicative spending.
- The Administration is committed to continuing to make progress in this important area through the President's Second Term Management Agenda, building on efforts to reduce administrative overhead, cut improper payments, reduce real estate costs, reform military acquisition, and consolidate data centers.
- The Administration is also continuing efforts to reorganize and consolidate Federal programs to reduce duplication and improve efficiency; and the President is again asking Congress to revive an authority that Presidents had for almost the entire period from 1932 through 1984—the ability to submit proposals to reorganize the Executive Branch via a fast-track procedure. In effect, the President is asking to have the same authority that any business owner has to reorganize or streamline operations to meet changing circumstances and customer demand.
- While we wait for Congress to take action on this proposal, the Administration continues to use existing authorities to reorganize government and make it more efficient. For example, the Administration has already taken action to consolidate a number of science, technology, engineering, and mathematics (STEM) education programs designed to enable more strategic investment in STEM education and more critical evaluation of outcomes. The President's FY 2015 Budget included a number of specific proposals to address duplication and overlap in the Federal Government, such as a fresh government-wide reorganization of STEM education programs, streamlining Farm Service Agency operations and expanding the use of strategic sourcing to leverage the buying power of the government. And the Administration has targeted unnecessary or lower priority programs for reduction or elimination, such as proposing to cancel the Defense Department's Ground Combat Vehicle Program based on the recommendation of our uniformed military leadership.
- In each of the President's first three Budgets, the Administration identified, on average, more than 150 terminations, reductions, and savings proposals, totaling nearly $25 billion each year. In the 2013 and 2014 Budgets, the Administration detailed more than 200 cuts, consolidations, and savings proposals, again totaling roughly $25 billion each year. The President's FY 2015 Budget included 136 cuts, consolidations, and savings proposals, which are projected to save nearly $17 billion in 2015. The cuts, consolidations, and savings proposals this year reflect the deep spending reductions that occurred in 2013, some of which have continued in 2014, and the fact that many of the Administration's previous cuts, consolidations, and savings proposals have now been implemented.

- The President's Second Term Management Agenda represents a comprehensive and forward-looking plan to deliver better, faster, and smarter services to citizens and businesses; increase quality and value in the government's core administrative functions and continue efforts to enhance productivity and achieve cost savings across the government; open government-funded data and research to the public to spur innovation and economic growth; and unlock the full potential of today's Federal workforce and build the workforce we need for tomorrow. The Agenda reflects the Administration's commitment to building a government that focuses on results and draws on evidence-based practices to ensure that every taxpayer dollar is used wisely and to the maximum effect.
- The Administration has established a Cross-Agency Priority Goal for each of the main components of the President's Management Agenda, as well as for a number of mission-focused priorities. These goals help ensure coordination on priorities that involve multiple departments and agencies. Each of the Cross-Agency Priority Goals is posted on *Performance.gov* (*http://www.performance.gov/cap-goals-list?view=public*), the Administration's performance tracking website, which will be updated to include regular status updates.
- On April 8, the Government Accountability Office (GAO) released its fourth annual report identifying opportunities for Congress and the Executive Branch to reduce fragmentation, duplication, and overlap, and achieve cost savings across the Federal Government. In addition, GAO provided a progress report on its previous recommendations. The Administration appreciates the valuable work GAO continues to do on this important topic.
- GAO's findings recognize the progress that has been made in addressing the recommendations previously identified in its reports. For example:
  - GAO found that Congress and the Executive Branch have made progress on addressing 130 of the 162 (80 percent) broad areas needing attention.
  - GAO found that the Executive Branch addressed or partially addressed 267 of the 323 (83 percent) recommended actions directed to the Executive Branch.
  - GAO found that Congress addressed or partially addressed 28 of the 66 (42 percent) recommended actions directed to Congress.
- The GAO report also included a set of 26 new recommendations, which the Administration is beginning to analyze. An initial review indicates that the Administration is already taking action to coordinate across agencies in many of the areas identified in the new recommendations. The Administration will carefully review the new recommendations to identify all opportunities to reduce fragmentation, overlap, and duplication and to achieve other financial benefits.
- Many of GAO's recommendations deal with some of the most complex and challenging areas across the Federal Government. Fully addressing them is a long-term process that in many cases will take years to implement—a fact that GAO recognizes.
- The Administration looks forward to continuing to work with GAO and Congress to maximize the value of every taxpayer dollar while increasing the productivity and quality of services.

Administration Efforts to Reduce Duplication and Improve Efficiencies

Under the President's direction, the Administration is working to deliver a 21st Century Government that is more effective, efficient, and supportive of economic growth. The President is committed to creating a government that will make a significant, tangible, and positive difference in the lives of the American people and the economy, and to driving lasting change in how government works.

In 2011, the President and Vice President launched the Campaign to Cut Waste, identifying numerous initiatives to cut inefficient and unnecessary spending and make government more effective, resulting in billions in savings and program consolidations and eliminations, some of which are highlighted below. In addition, the President's FY 2013 Budget established the first-ever government-wide *Cross-Agency Priority Goals* (*http://archive-goals.performance.gov/sites/default/files/images/Report.pdf*), which promote coordination across agencies and programs in areas which deliver positive impact for the American people. For example, as part of the cross agency efforts to support the President's National Export Initiative, the Department of Commerce, as Chair of the Trade Promotion Coordinating Committee (TPCC), has taken actions to help achieve a record level of exports of $2.3 trillion in 2013, which supported an additional 1.3 million U.S. jobs.

While the Administration has made notable progress in many areas, Congressional action could lead to further gains. February 2012, the President submitted for the first time a proposal to Congress to reinstate Presidential authority to reorganize Federal agencies to reduce the number of duplicative and overlapping government programs. And each of the President's Budget's has included cuts, consolidations, and savings proposals that would improve efficiency and save tens of billions of taxpayer dollars. For example, the President's 2015 Budget included 136 cuts, consolidations, and savings proposals, which are projected to save nearly $17 billion in 2015.

Ongoing Administration efforts to achieve cost savings and maximize the value of government investments include:

- **Reorganizing STEM Education Programs.** The President's FY 2015 Budget proposes a fresh government-wide reorganization of science, technology, engineering, and mathematics (STEM) education programs designed to enable more strategic investment in STEM education and more critical evaluation of outcomes. In 2012, there were more than 200 STEM education programs across government. Already, a substantial number of program consolidations and eliminations have been implemented or will be completed this year largely through administrative action. The Budget continues to reduce STEM fragmentation by proposing 33 additional program consolidations or eliminations, and focuses ongoing efforts around the five key areas identified by the Federal STEM Education 5-Year Strategic Plan.
- **Modifying the Medicare Provider Payment.** The FY 2015 Budget contains proposals that build on initiatives included in the Affordable Care Act to help extend Medicare's solvency while encouraging provider efficiencies and improved patient care. Specifically, the FY 2015 Budget modifies and restructures payments to certain providers to address payments that exceed patient care costs, increase efficiency and reduce waste, and recoups excess payments to manufacturers. For example, the Budget proposes to align Medicare payments for drugs with Medicaid rebate policies for low-income beneficiaries. It continues to crack down on fraud and creates more efficient, bundled payments for post-acute care providers. These, along with other Medicare proposals, would save more than $400 billion and extend the solvency of the Hospital Insurance trust fund by approximately 5 more years.
- **Cutting Improper Payments.** When the President took office in 2009, the improper payment rate was 5.42 percent and rising. Since then, the Administration, working with the Congress, significantly reduced improper payments through yearly reviews by agency Inspectors General and expanded requirements for high priority programs. This strengthened accountability and transparency in payments resulted in the improper payment rate declining to 3.53 percent in 2013 when factoring in DOD commercial payments. Furthermore, agencies recovered more than $22 billion in overpayments through payment recapture audits and other methods in 2013.
- **Saving on Real Property Costs.** In 2012, the Administration issued a Freeze the Footprint policy and directed agencies to freeze the growth in their real estate inventory. Through this effort, the Administration works, in collaboration with the Federal Real Property Council, to improve the quality of real property inventory data and to develop key performance metrics. In 2014, the Administration will begin publicly tracking the government's adherence to a fixed baseline of 730.2 million square feet of office and warehouse space. Agencies will continue to pursue mobile workforce strategies and tighter internal controls on space acquisitions. In addition, the Budget proposes the Civilian Property Realignment Act (CPRA), which would create an independent board of private and public sector real estate experts that would make recommendations to the Congress on properties that should be sold, consolidated, co-located, or reconfigured. Legislation to create CPRA would help to streamline the disposal process, generate $2 billion in savings through the disposal of excess properties, and provide funds for real property reinvestment. Further, modernization would support the consolidation of the Federal real estate inventory and help reduce the government's operating costs.
- **Consolidating Data Centers.** Under the President's Federal Data Center Consolidation Initiative, the Administration is working to optimize and consolidate Federal data centers across the nation. Agencies are pursuing a dual track strategy: making their core, or most important data centers, operate more efficiently and closing down their non-core data centers and shifting workloads to lower-cost, optimized options, like cloud providers. Since agencies began exe-

cuting their data center consolidation plans in 2011, more than 700 data centers have been closed (a complete listing of these can be found on *Data.gov*), leading to a net reduction in data centers for the first time in over a decade. At the remaining data centers, agencies have been lowering the costs of operations through greater energy efficiency, greater utilization of servers, and other improved operating practices. These savings are being reported through the PorfolioStat process.

- **Expanding Strategic Sourcing.** The Administration's efforts to better leverage the government's buying power through the use of strategic sourcing has saved over $300 million since 2010 on commonly purchased goods such as office supplies and services such as package delivery. For example, creation of central vehicles that can be used by all Federal agencies has reduced contract duplication and reduced prices for some common office supplies by over 65 percent. Such efforts save taxpayer dollars directly through reduced prices and duplication that allows agencies to focus scarce human capital resources on more complex, mission-critical efforts.
- **Expanding Shared Services.** Today, many agencies are spending too much time and money on administrative and operating functions that are not central to their core mission and shared by other agencies. These functions could be handled by Federal Shared Service Providers (SSPs), reducing duplication and costs while increasing quality of services through concentrated expertise. In some administrative areas, the government has already coalesced around a small number of SSPs. For example, payroll services are provided for all Federal agencies by service centers at the Departments of Agriculture, the Interior, Defense (DOD), State, and the General Services Administration. In the largest financial management shared service arrangement established to date, the Department of Housing and Urban Development has signed an interagency agreement with the Department of the Treasury to transition all of its core financial management functions to Treasury beginning in 2015. The Administration will continue to drive efficiencies and cost savings by increasing the performance and capacity of the SSPs.
- **Continuing PortfolioStat.** In 2012, OMB initiated the PortfolioStat process, a data-driven effort with agencies to examine IT portfolios and identify common areas of spending to decrease duplication and drive down costs. As a result of PortfolioStat, agencies reported nearly $1.6 billion in savings and identified more than $2.5 billion in savings that could be achieved over the 2013–2015 period. The Administration is committed to continuing the PortfolioStat process to drive further management improvements, save billions of dollars across the Federal Government, and improve services to Americans through the effective use of technology.
- **Expanding Federal Cloud Computing.** The governments is transforming its IT portfolio through cloud computing, giving agencies the ability to purchase IT services in a utility-based model, paying for only the services consumed. As a result of the Administration's Cloud First policy, Federal agencies adopting cloud-based IT systems are increasing operational efficiencies, resource utilization, and innovation. To accelerate the pace of cloud adoption, the Administration established the Federal Risk Authorization Management Program (FedRAMP), a government-wide program standardizing how we secure cloud solutions. To further grow the use of cloud-based services and improve customer service, the government is working to establish a credential exchange system that allows citizens and businesses to securely access online services at different agencies without the need for multiple digital identities and passwords.
- **Consolidating Business and Trade Promotion into a Single Department.** As the President indicated in 2012, if given Presidential reorganization authority, the first proposal would be to consolidate a number of trade and economic development agencies and programs into a new Department with a focused mission to foster economic growth and spur job creation. By bringing together the core tools to expand trade and investment, grow small businesses, and support innovation, this reorganization would help American businesses compete in the global economy, expand exports, and create more jobs at home.
- **Reforming Military Acquisition.** The military services and defense agencies have a portfolio of 81 ongoing major weapon system acquisition programs, and DOD contracts account for approximately 70 percent of all Federal procurement. The Budget continues to invest in DOD's Better Buying Power (BBP) reform, charting a path to greater productivity in the military acquisition system. New BBP initiatives enforce affordability caps, measure cost performance, and align

contractor profitability with acquisition goals. DOD-instituted best practices for procurement include applying lessons learned, expanding strategic sourcing, establishing acquisition professional reviews, and instituting peer reviews to ensure effective competition. These actions help further the Administration's ongoing government-wide goal to ensure smarter and more fiscally responsible buying across government.

- **Eliminating the Preventive Health and Health Services Block Grant.** The FY 2015 President's Budget eliminates the Preventive Health and Health Services Block Grant (PHHSBG) program given duplication with other public health programs. The PHHSBG activities could be more effectively and efficiently implemented through the State *Public Health Actions to Prevent and Control Diabetes, Heart Disease, Obesity and Associated Risk Factors and Promote School Health* program, which provides resources to states to coordinate activities across categorical funding streams.
- **Restructuring Army Aviation.** The Budget proposes to restructure the Army aviation fleet in order to eliminate duplication, focus resources on the most capable aircraft, and realign force structure according to operational need. This proposal divests older, less capable aircraft and replaces them with more capable Apaches teamed with unmanned aerial vehicles for armed reconnaissance, and LUH–72 Lakota helicopters for training missions. The Army also proposes transferring Apache helicopters from the National Guard to the Active Army and transferring Blackhawk helicopters from the Active Army to the National Guard to better meet operational demands.
- **Reforming Crop Insurance Program.** The Budget proposes to reduce Federal subsidies for disproportionately subsidized plans that benefit primarily wealthy corporate farmers and to reduce overpayments to private crop insurance companies. Reforming Federal crop insurance by reducing subsidies for overly generous coverage is projected to save $14 billion over the next 10 years.
- **Reforming the Federal Employees' Compensation Act (FECA).** The Budget proposes a series of FECA reforms that act on past GAO recommendations to improve and update the program. These reforms would generate government-wide savings of more than $340 million over 10 years.
- **Reforming Government-wide Grants and Financial Assistance Policies.** In 2013, the Administration issued consolidated guidance that streamlines eight Federal regulations into a single, comprehensive policy. The new guidance is a key component of the Administration's effort to more effectively focus the $600 billion awarded annually for grants and other types of financial assistance on improving performance and outcomes while ensuring the financial integrity of taxpayer dollars.
- **Eliminating the Diesel Emissions Reduction Grant Program.** The Budget proposes to eliminate the Diesel Emissions Reduction Grant program in FY 2015, one of the programs identified in GAO's 2012 report under "Diesel Emissions". The program has helped to reduce pollution emissions through engine retrofits, rebuilds, and replacements. The remaining legacy diesel fleets will be reduced over time as they are replaced with engines that meet modern emission standards.
- **Streamline Farm Service Agency (FSA) Operations.** The FSA is focused on ensuring that it has the right workforce in the right places to deliver the best customer service possible. FSA has conducted a review of 2,100 field offices, and in an effort to modernize its field structure proposes closing or consolidating 250 offices as part of streamlining efforts that will save an estimated total of $39 million in 2015.
- **Improving Administrative Benchmarking.** Federal agencies often do not have the tools to measure their performance in key administrative areas such as human resources, finance, IT, and real property. Beginning in 2014 and continuing in 2015, the Administration will leverage the Executive Councils, which represent the chief administrative and operating officials at Federal agencies, to establish cost, quality, and performance benchmarks in each of these key areas.

Many of these efforts overlap with opportunities identified by GAO for important government-wide and program-specific costs savings and efficiencies.

Progress on GAO's 2011, 2012, and 2013 Recommendations to the Executive Branch

GAO also has taken an active role in analyzing the structure of the Federal Government and recommending areas to reduce duplication and fragmentation. In 2011,

GAO began annual reporting on specific opportunities for the Federal Government to reduce duplication, overlap, and fragmentation and to pursue other financial opportunities. The GAO also released annual reports in 2012 and 2013, and on April 8, 2014 released its fourth annual report.

In total, the first three GAO reports include more than 162 issue areas, many of which require the coordination of multiple Federal agencies or Congressional committees to address. In almost all areas, fully completing a recommended consolidation or reform takes time—a fact that GAO recognizes. Despite this challenge, the Administration is committed to getting the job done.

An initial look at GAO's 2014 report indicates that it recognizes that significant progress is being made.

- GAO found that Congress and the Executive Branch have made progress on addressing 130 of the 162 (80 percent) broad areas needing attention.
- In terms of specific recommended actions within these broad areas, GAO found that the Executive Branch addressed or partially addressed 267 of the 323 (83 percent) recommended actions directed to the Executive Branch.
- GAO found that Congress addressed or partially addressed 28 of the 66 (42 percent) recommended actions directed to Congress.

Selected accomplishments in areas where GAO previously made recommendations include:

- **Homelessness Program (area 30, 2011).** The U.S. Interagency Council on Homelessness (ICH) is fully addressing the GAO recommendations related to improving interagency collaboration. ICH has provided strong leadership on cross-cutting homeless issues, and has forged substantive links between agencies to improve coordination and targeting, obtain better data and improve outreach efforts. These and other ICH collaborative efforts are essential to achieving the goals outlined in the Federal Strategic Plan to Prevent and End Homelessness. In addition, the 2015 President's Budget proposes to transfer funding for the FEMA Emergency Food and Shelter (EFS) program to the Department of Housing and Urban Development (HUD). By allowing HUD to administer this program, the Administration is aligning its dedicated homeless assistance resources, avoiding duplication between programs, and ensuring that the funding appropriated for EFS assists in meeting the goals of the Federal Strategic Plan.
- **Housing Assistance (area 28, 2012).** While the Administration has not proposed consolidating housing loan programs, the Administration is evaluating opportunities to improve programs through increased coordination among housing credit agencies.
  - From 2011–2013, the Rental Policy Working Group implemented a two-round pilot in six states to test the feasibility of conducting a single physical inspection in a sample of jointly subsidized multifamily housing properties that would satisfy all agencies' inspection requirements. In 2014, the Working Group is expanding the pilot to over 20 states.
  - In 2011, HUD implemented the Low-Income Housing Tax Credit (LIHTC) Pilot to align Federal Housing Administration (FHA) processing of mortgage insurance applications with the tight external deadlines imposed by the LIHTC program. In March 2014, FHA implemented several revisions to the LIHTC Pilot to provide more flexibility and make it available to a wider array of projects.
- **Economic Development Programs (area 9, 2011).** The Administration has launched a major initiative—BusinessUSA—aimed at addressing duplication issues in economic development programs identified in the GAO report. BusinessUSA, which was launched in 2012 and continues to grow, is a one-stop shop for businesses looking for Federal business assistance. The Administration also continues to request broader reorganization authority from Congress to improve the effectiveness and cost-efficiency of Federal programs as described previously.
- **Department of Homeland Security Grants Consolidation (area 26, 2011; area 17, 2012).** The President has proposed reforming the structure of Federal Emergency Management Agency (FEMA) grants by creating the National Preparedness Grant Program (NPGP) which would focus resources on building and sustaining core capabilities associated with the five mission areas of the National Preparedness Goal. As proposed, NPGP would break down existing program silos and shift the focus away from awarding funds based on state for-

mulas toward a capability-enhancing regional approach. The new program would not be bound by a formula-based allocation, but would use competition and risk-informed assessments to close the gaps identified in a comprehensive Threat, Hazard, Identification and Risk Analyses (THIRAs), which are the product of a nation-wide needs assessment coordinated by FEMA. Investment justifications would be assessed by FEMA with significant regional input, with the goal of meeting specific response-level targets nationwide.

- **Support for Entrepreneurs (area 7, 2012).** The Department of Commerce (DOC), Small Business Administration (SBA), and Department of Agriculture (USDA) continue to make progress on improving program evaluation and performance metrics in programs designed to spur entrepreneurship. All three agencies are part of an interagency working group that is looking at the information currently collected on these technical assistance programs and what further information is needed to fully track their impact. BusinessUSA is also encouraging interagency collaboration on entrepreneurial development assistance programs.
- **Defense Warfighter Urgent Needs (area 3, 2011).** The Department of Defense has performed internal analysis and taken steps to streamline organizations and processes intended to address the urgent needs of warfighters. Two studies examining potential overlap or duplication in these efforts were provided in a May 2013 report to Congress on the "Review of Acquisition Processes for Rapid Fielding of Capabilities in Response to Urgent Operations Needs." The result indicated that further consolidation was not currently needed, but highlighted that the Mine Resistant Ambush Protected (MRAP) Task Force was no longer operational and JIEDDO is being realigned as a permanent organization within the Office of the Under Secretary of Defense (Intelligence). These steps combined with guidance from the Chairman of the Joint Chiefs in 3170.01H, "Joint Capabilities and Development System", and the Department of Defense Directive 5000.71, "Rapid Fulfillment of Combat Commander Urgent Operational Needs", should lead to greater effectiveness and less duplication in supporting the warfighter.
- **Employment and Training (area 32, 2011).** The Administration has taken a number of steps to improve coordination and alignment across Federal training and employment programs. The Workforce Innovation Fund, launched last year, supports state, regional, and local efforts to work across program silos to produce better employment outcomes for job-seekers and workers; the 2015 Budget continues this program, along with a request for broader waiver authority to give grantees more room to innovate. The Administration has also sought greater flexibility to blend funding in exchange for greater accountability for outcomes. For example, its proposed Performance Partnership Pilot authority was enacted in the 2014 Omnibus and will permit greater cross-program work to achieve better outcomes for disconnected youth. The Administration has also recommended targeted consolidations that would reduce overlap without adversely affecting vulnerable populations, like the Veterans Workforce Investment Program, which was eliminated in 2013 and its funding redirected to other veterans' employment activities. The 2015 Budget includes a New Career Pathways program that would provide individuals who lose their jobs with a single set of core services, consolidating two narrowly targeted programs. Last, the President has directed the Vice President to lead an interagency Job-Driven Training review to suggest changes to make training and employment programs more responsive to employers and the labor market, easier for job seekers to navigate, and more accountable for the employment outcomes they produce. This review will include recommendations to promote better alignment across programs.
- **Baggage Screening Systems (area 78, 2011).** The Transportation Security Administration (TSA) continues to invest in in-line explosives detection systems (EDS) for baggage screening. In-line configurations integrate the EDS equipment into the baggage handling system, allowing TSA to achieve operational improvements and staffing efficiencies. GAO reported in 2011 that these systems have the potential to generate significant cost savings for TSA. TSA estimates that in-line baggage screening systems have yielded a cumulative savings of $200 million and over 3,000 full time equivalent positions through FY 2014. The 2015 Budget estimates an additional $22 million in savings as a result of in-line baggage screening projects.
- **DOD's Coordination of Counter-Improvised Explosive Device Efforts and Timeline for Counter-Improvised Explosive Device Database Implementation (area 4, 2012).** In response to GAO's February 2012 recommenda-

tion, the Joint IED Defeat Organization (JIEDDO) developed the counter-IED initiative alternatives analysis process to help ensure that selected solutions are fully vetted to identify and reduce unnecessary duplication, overlap and fragmentation before being funded. JIEDDO has also developed a department-wide counter-IED efforts database, as GAO recommended in February 2012. JIEDDO now captures information derived from various sources to better comprehensively coordinate all DOD counter-IED efforts, thereby limiting and reducing the risk of duplication in its multibillion-dollar counter-improvised explosive device efforts.

- **Passenger Aviation Security Fees (area 48, 2012).** The President's Budget proposes an increase in the TSA aviation security passenger fee to cover a greater percent of the costs of TSA passenger and baggage screening and other aviation security services. The Budget proposal builds on the fee increase enacted in December through the Bipartisan Budget Act, which the Administration believes was an important step in bringing fees back in line with security costs. In 2012, GAO reported that increasing the TSA aviation passenger security fee could help offset billions of dollars in the Federal budget for aviation security programs and activities.
- **Auto Recovery Office within DOL (area 50, 2012).** The Department of Labor is in the final stages of terminating the Office of Recovery for Auto Communities and Workers. While this Office was an instrumental part of the Administration's successful restructuring efforts of the American automotive industry, it has completed its mission.
- **Combat Uniforms (area 2, 2013).** The Department of Defense (DOD) developed and issued joint criteria for new camouflage uniforms, which are designed to provide equivalent levels of performance and protection, minimize risk to service members, and provide interoperability for future military ground combat uniforms.
- **Employment for People with Disabilities (area 10, 2012).** In addition to the actions GAO highlighted, the Administration has undertaken the following actions to better reduce duplication, overlap, and fragmentation among programs that serve people with disabilities. The President's 2015 Budget requests new authority and $400 million in new resources for the Social Security Administration (SSA), in partnership with other Federal agencies, to test innovative strategies to help people with disabilities remain in the workforce. Early-intervention measures, such as supportive employment services for individuals with mental impairments, targeted incentives for employers to help workers with disabilities remain on the job, and opportunities for states to better coordinate services, have the potential to achieve long-term gains in the employment and the quality of life of people with disabilities, and the proposed demonstration authority will help build the evidence base for future program improvements. The demonstration proposals were developed through a comprehensive interagency process, and additional detail can be found in SSA's Congressional Justification. In addition, the Job-Driven Training review being led by the Vice President will involve several programs that serve individuals with disabilities, and result in recommendations aimed at improving and better aligning them with other programs to produce better outcomes for individuals with disabilities.
- **Domestic Food Assistance (area 29, 2011).** In February, the President signed into law the Agricultural Act of 2014, which included a provision that addresses an area of duplication identified by GAO, between the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and the Commodity Supplemental Food Program (CSFP). Pursuant to this provision, CSFP will focus on serving seniors, while pregnant and postpartum women, infants, and children seeking assistance in the future will be served through the WIC program.

Of actions GAO previously recommended for Executive Branch attention which have not yet been addressed, many require longer-term implementation strategies, which GAO recognizes in its report.

- **Personnel Background Investigations (area 11, 2012).** Following the September 2013 Navy Yard shooting, the President directed the Office of Management and Budget (OMB) to lead a review of suitability and security clearance procedures for Federal employees and contractors. The Administration released a report detailing the findings of this review, identifying 13 recommendations to improve how the government performs suitability determinations and security clearances, thereby ensuring the safety of Federal workers and the protection of our nation's most sensitive information. The report's recommendations

were developed by an interagency review team, comprised of representatives from OMB, Office of the Director of National Intelligence (ODNI), Office of Personnel Management (OPM), Department of Defense (DOD), Department of Homeland Security (DHS), Department of Justice (DOJ), Federal Bureau of Investigation (FBI), the Information Security Oversight Office (ISOO), and the National Security Council (NSC). The review complements and builds upon DOD's Navy Yard Reviews, and ongoing work by OPM, ODNI, and other agencies. The Review assessed government policies, programs, processes, and procedures involving determinations of Federal employee suitability, contractor fitness, and personnel security. The interagency working group also evaluated the collection, sharing, processing, and storage of information used to make suitability, credentialing, and security decisions. The Review found the need for better information sharing, increased oversight over background investigations, and consistent application of standards and policies for both Federal employees and contractors.

- **DOD–VA Electronic Health Record System (area 18, 2011).** While continuing efforts to enhance seamless integration of health records, DOD and Veterans Affairs (VA) are on complementary paths for modernizing their respective electronic health record (EHR) systems. The VA/DOD Interagency Program Office (IPO) will lead the Departments' efforts to implement national health data standards for interoperability and is responsible for establishing, monitoring, and approving the clinical and technical standards profiles. The Departments and the IPO will provide regular updates on EHR development and acquisition efforts to the GAO.
- **Public Health Information Systems (area 20, 2011).** The Administration published the National Strategy for BioSurveillance in July 2012 and the National BioSurveillance Science and Technology Roadmap in June 2013, and is in the process of evaluating current capabilities and planning for improvements that will streamline the receipt and analysis of essential information.
- **Social Security Offsets (area 80, 2011).** The President's 2015 Budget includes a provision to improve collection of pension information from states and localities to better enforce the existing Windfall Elimination Provision (WEP) and Government Pension Offset (GPO) policies.

Administration Progress in Selected Areas Identified in GAO's 2014 Recommendations

GAO's 2014 report includes a new set of recommendations not covered in previous GAO reports. The Administration is reviewing GAO's 2014 recommendations, but a preliminary review indicates that the Administration is already taking action in many of the areas identified by GAO. Ongoing action includes:

- **Army Workforce Planning (area 1, 2014).** The Army continues to work towards eliminating the Army Workload and Performance System (AWPS) and replacing it with the Logistics Modernization Program (LMP) to address the duplication that exists between these systems.
- **Contracting for Defense Health Care Professionals (area 2, 2014).** The Department of Defense (DOD) continues to explore opportunities for improved efficiency in contracting for Defense Health Care professionals. In October 2013, DOD stood up the Defense Health Agency (DHA), which is working on consolidating ten Shared Services, including contracting, among the three Services' Medical Departments, in order to improve effectiveness and efficiency within the Military Health System by achieving greater standardization and economies of scale across the system. The DHA Division on Contracting Shared Services has leveraged GAO's recommendations and is actively pursuing improved contracting strategies for health care professionals and other services and commodities.
- **Defense Satellite Control Operations (area 3, 2014).** DOD concurs with GAO that its satellite control operations should become more interoperable, and is working toward fulfilling the requirements in the FY 2014 National Defense Authorization Act. DOD is undertaking an extensive effort to develop a new satellite control operations architecture and concept of operations, which will leverage existing modernization plans and commercial best practices. The goal is to improve future satellite control operations and cyber protection while reducing life cycle cost and maintaining the uninterrupted operation of more than 170 satellites.
- **Defense Studies and Analysis Research (area 4, 2014).** Defense Studies and Analysis Research are currently conducted throughout the Department of

Defense and each of the military services. While specific offices are designated to formally coordinate research requests within each service and the Office of the Secretary of Defense, there is not always a requirement to coordinate among entities. Regardless of where the research and analysis is approved, once it is being conducted, ongoing and completed reports and studies are shared throughout the defense community through the Defense Technical Information Center (DTIC), online at *www.dtic.mil*. In some specific areas, such as the Science and Technology community, executive committees and communities of interest facilitate coordination in areas of overlapping interest to avoid duplication and combine efforts and resources to meet a common goal.

- **POW/MIA Mission (area 5, 2014).** In a July 2013 report, GAO found that the missing persons accounting community is at risk of performing overlapping and duplicative efforts due to a lack of clarity in its members' roles and responsibilities and a fragmented organizational structure. In an effort to address this issue, DOD announced in March 2014 that it will combine the Joint POW–MIA Accounting Command and the Defense POW–MIA Office into a single organization. The new organization will streamline POW–MIA personnel recovery operations. DOD will also create a single centralized case management database of missing service member information. This new system will aid in recovery and provide family members with a single point of contact for information on missing persons.
- **Minority AIDS Initiative (area 7, 2014).** In implementing the National HIV/AIDS Strategy, HHS established a working group in 2011. The working group established a set of common core HIV indicators across HHS-funded programs and developed corresponding implementation guidance. The group continues to work on streamlining data collection and reducing HIV grantee reporting burden by more than ⅓.
- **Disability and Unemployment Benefits (area 8, 2014).** The President's 2015 Budget proposes to prevent individuals from collecting full unemployment and disability insurance benefits for the same period of time. This will provide savings of about $3 billion over 10 years.
- **Federal Employees Compensation and Unemployment (area 9, 2014).** The Administration's FECA reforms, which the 2015 Budget re-proposes, would authorize DOL to cross-match FECA records with Social Security wage records to reduce improper payments.
- **Combatant Command Headquarters Costs (area 12, 2014).** GAO's 2014 Annual Report on duplication assesses that DOD does not adequately evaluate staffing requirements and operating costs for the six geographic combatant commands (COCOMs). Since a previous GAO report in May 2013 recommended a comprehensive review of the size and structure of the COCOM headquarters, DOD has ordered a phased 20 percent reduction to all service and COCOM headquarters, in addition to other management reductions, which together will save $5.3 billion through FY 2019 as described in the President's Budget for FY 2015. DOD will also strive to reduce COCOM headquarters' civilian staffing by 20 percent over the same period. In a related action, GAO recommends that DOD assess whether U.S. Africa Command should move its headquarters from Germany to the United States. Such a move requires more extensive analysis of the fiscal and operational impacts.
- **Advanced Technology Vehicles Manufacturing Loan Program (area 13, 2014).** ATVM was established by Congress in 2007 to support the production of fuel-efficient, advanced technology vehicles and components in the United States. The program has since supported more than a dozen new or retooled auto manufacturing plants across the country creating or saving over 35,000 jobs. While the program has faced challenges in attracting new applicants over the past few years, the Administration is actively working to reinvigorate the program through outreach and improvements to the application process.
- **Real Estate Owned Properties (area 18, 2014).** To continue making progress in maximizing the value of homes taken into possession through loan defaults, FHA is expanding use of rapid sales techniques such as pre-foreclosure sales and using enhanced sources of market price information such as automated valuation models. FHA increased its share of pre-foreclosure sales from 6.6 percent in 2008 to 14.4 percent in 2013.
- **Social Security Disability Insurance & Earnings Data (area 22, 2014).** SSA continues to assess the feasibility of using additional data sources to identify beneficiary earnings and will add sources where doing so are cost-effective and permitted by law. In addition, SSA is analyzing the specific cases identified

by GAO as potentially having been overpaid due to work above the substantial gainful activity level in the waiting period, properly developing evidence of earnings, and making work activity determinations according to the agency's policies.

- **Veterans' and Survivors' Benefits (area 23, 2014).** The Department of Veterans' Affairs (VA) is currently taking action to address GAO's 2014 report recommendation aimed at creating greater asset look-back review for veterans' and survivors' benefits. Under current regulations, veterans can transfer or gift assets prior to applying for pension benefits without penalty, and VA does not inquire about these transfers. VA has conducted a comprehensive rewrite of its regulations to allow more questions about asset transfers during the 3 years prior to applying for benefits. Once these rewrites are complete, VA will begin using the additional data to conduct look-back reviews to reduce fraud and ensure beneficiaries receive the correct benefits.
- **Better Data to Mitigate Foreclosures (area 25, 2014).** While FHA continues to evaluate its loss mitigation programs, it made changes to help borrowers at the very early stages of delinquency when interventions can prevent serious delinquency, including use of borrower characteristics to choose the appropriate form of assistance. FHA increased the number of households assisted with early intervention by 31 percent between 2010 and 2013 and reduced 6 month re-default rates from 17 percent in 2011 to eight percent in 2013 among those who were helped by the agency's loss mitigation programs.
- **Housing Choice Vouchers Rent Reform (area 26, 2014).** The Administration continues to support HUD in its evaluation of public housing agencies participating in the Moving To Work (MTW) program that are undergoing rent reform efforts (*i.e.,* changes in the way and amount families contribute towards rent) to determine which, if any, rent reform options can and should be expanded. Lessons learned from these efforts, however, are not only limited to the Housing Choice Voucher program but would apply to all HUD rental assistance programs, including Project Based Rental Assistance and Public Housing. In addition, as a part of the FY 2015 Budget, the Administration supports additional funding for the rent reform demonstration and plans to submit legislation to expand the MTW program to high performing public housing agencies to further test innovative strategies such as rent reform, combined with rigorous evaluation requirements.

SUBMITTED QUESTION

Response from Angela K. Rachidi, Ph.D., Research Fellow in Poverty Studies, American Enterprise Institute

Question Submitted by Hon. David Rouzer, a Representative in Congress from North Carolina

Question. As I travel through my district and this issue comes up, I cannot tell you how many people believe that these programs are misusing funds. When it comes to research and oversight, what do we know about the effectiveness of these programs and the way they are administered? Does this fragmented system of 18 different programs, administered by three Federal departments, work in a way that is effective and financially responsible? If you were to analyze the individual programs, would taxpayers find these funds to be appropriately administered?

Answer. With a few exceptions, the evidence suggests that the large programs (*e.g.,* SNAP, National School Lunch, WIC) are administered fairly effectively with some exceptions. For example, the error rate for the Supplemental Nutrition Assistance Program (SNAP) is approximately 3.2%, which is quite good considering the complexity of the program. In terms of the National School Lunch Program, there is some evidence that categorical eligibility has some problems. A recent GAO report found some errors in how categorical eligibility was determined. In an unrepresentative sample of 25 approved applications for the school meals program, six indicated categorical eligibility but the GAO found that two were not eligible at all and one was not eligible for free lunch, but possibly reduced lunch.[1] There is always room for improvement, but in general these programs are considered fairly well administered and there does not seem to be a large scale problem concerning misuse of funds.

In addition, the evidence suggests that the programs that have been studied (again, the large programs such as SNAP, School Lunch, and WIC) do have positive

[1] *http://www.gao.gov/assets/680/670078.pdf.*

benefits for recipients. However, the small programs have not been evaluated to the same extent so it is unclear whether they have the same positive benefits as the larger programs, although one can assume that they likely do. Although the evidence is positive in terms of recipient outcomes, it does not address the question of whether these programs could be administered in a better, more coordinated way.

I am not aware of any evaluations assessing the effectiveness of how these programs are administered; meaning whether the decentralized manner in which they are operated is effective or not. But in my experience working for the City of New York, a fragmented system (at the local level that starts with the Federal level) does create inefficiencies and fails to capitalize on technology that could reduce errors and improve efficiency. In this sense, if I were to evaluate each program individually I might conclude that they are appropriately administered, but taken together I would find that a lack of coordination causes some problems. Efforts to improve coordination, especially through oversight and the use of technology are recommended.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

(THE PAST, PRESENT, AND FUTURE OF SNAP: THE MEANS TO CLIMBING THE ECONOMIC LADDER)

WEDNESDAY, JUNE 10, 2015

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The Committee met, pursuant to call, at 10:00 a.m., in Room 1300 of the Longworth House Office Building, Hon. K. Michael Conaway [Chairman of the Committee] presiding.

Members present: Representatives Conaway, Neugebauer, Lucas, Thompson, Austin Scott of Georgia, Benishek, LaMalfa, Davis, Yoho, Walorski, Allen, Bost, Abraham, Moolenaar, Newhouse, Peterson, David Scott of Georgia, Walz, Fudge, McGovern, Vela, Lujan Grisham, Kuster, Nolan, Bustos, Kirkpatrick, Aguilar, Plaskett, Graham, and Ashford.

Staff present: Anne DeCesaro, Carly Reedholm, Haley Graves, Jackie Barber, Mary Nowak, Mollie Wilken, Scott C. Graves, Faisal Siddiqui, John Konya, Evan Jurkovich, Lisa Shelton, Liz Friedlander, Mike Stranz, and Nicole Scott.

OPENING STATEMENT OF HON. K. MICHAEL CONAWAY, A REPRESENTATIVE IN CONGRESS FROM TEXAS

The CHAIRMAN. Good morning, I now call the meeting to order. Please join me in a prayer. Dear Holy Father, we thank you, Lord, for the multitude of blessings you bestowed upon us. Thank you for the privilege, Lord, of leading the country on the House Agriculture Committee. Be with us this morning as we deliberate these important issues. Help us understand the hearts of the witnesses, and the impact they have on our decision-making. Bless us now at the hour of service. We ask this in Jesus' name, amen.

I welcome our witnesses to today's hearing. I thank them for taking the time to share their perspectives as we explore the means of helping families climb the economic ladder. This hearing, like those before, builds on the Committee's top to bottom review of the Supplemental Nutrition Assistance Program. Throughout this process we have had an eye toward strengthening SNAP so that it doesn't become a trap, but rather a tool to help individuals move up the economic ladder. Today we will hear a variety of ways of actually doing that.

As we have learned throughout this hearing series, SNAP does not operate in a vacuum. It should not be expected to carry the en-

tire load and provide all solutions for the most vulnerable. That being said, it does serve as an important role in the lives of nearly 46 million Americans. In order to better understand and serve SNAP recipients, it is important to have a realistic view of what it takes for many Americans to get back on their feet and enter, re-enter, and remain in the workforce. Steady employment makes it possible to climb the economic ladder and rise out of poverty.

According to the U.S. Census Bureau, only 2.7 percent of full time workers are *poor,* as defined by the Federal poverty level, compared with 32.3 percent of adults who do not work. Even part time work makes a significant difference. Only 17.5 percent of part time workers are poor. That is why SNAP has long had an employment and training component. However, in an effort to promote administrative efficiency and decrease cost, often at the expense of benefit costs, the program overall has moved away from engaging recipients. What we will hear today is that the opposite should be happening. A greater level of engagement is needed between SNAP and recipients.

Encouraging work is good for both recipients and taxpayers. Increasing work among SNAP recipients increases economic mobility, leads to greater financial stability, and improves outcomes for children. There is also great dignity that comes from being able to provide financially for one's own family.

Prior testimony provided before this Committee has consistently shown recipients do want to work, and research by USDA shows that many adults do. We have heard about this during our last full Committee hearing from Keleigh Green-Patton, a former SNAP recipient. In her testimony, she shared her story of intermittent times in her life when she received SNAP. One of those times she was an adult, unemployed, with two small children to feed. As she made her way back into the workforce, she described SNAP to be like a trampoline helping her to get back into the workforce.

Yet, there are still large numbers of households, many with children, that do not report earned income, which is income that a person received for doing work. According to the latest USDA SNAP characteristics report, only 31 percent of total SNAP households reported earned income. For households without children, the disabled or elderly, it drops to only one in five households having earned income. SNAP, along with other programs should be temporary support for individuals as they improve their financial situation. We want more Keleighs and more trampolines.

I look forward to hearing from our witnesses today as we seek to better understand how to help individuals enter, re-enter, and remain in the workforce and experience the dignity of work.

[The prepared statement of Mr. Conaway follows:]

PREPARED STATEMENT OF HON. K. MICHAEL CONAWAY, A REPRESENTATIVE IN CONGRESS FROM TEXAS

I want to welcome our witnesses to today's hearing and thank them for taking the time to share their perspectives as we explore the means to helping families climb the economic ladder. This hearing, like those before, builds upon the Committee's top-to-bottom review of the Supplemental Nutrition Assistance Program, or SNAP. Throughout this process, we have had an eye towards strengthening SNAP so that it doesn't become a trap but rather a tool to help individuals move up the economic ladder. Today we'll hear a variety of ways to actually do that.

As we have learned throughout this hearing series, SNAP does not operate in a vacuum. It should not be expected to carry the entire load and provide all solutions for the most vulnerable. That being said, it does serve an important role in the lives of nearly 46 million Americans.

In order to better understand and serve SNAP recipients, it is important to have a realistic view of what it takes for many Americans to get back on their feet and remain in the workforce. Steady employment makes it possible to climb the economic ladder and rise out of poverty. According to the U.S. Census Bureau, only 2.7 percent of full-time workers are *poor,* as defined by the Federal Poverty Level, compared with 32.3 percent of adults who do not work. Even part-time work makes a significant difference; only 17.5 percent of part-time workers are poor.

That's why SNAP has long had an employment and training component. However, in an effort to promote administrative efficiency and decrease costs—often at the expense of benefit costs—the program overall has moved away from engaging recipients. What we'll hear today is that the opposite should be happening—a greater level of engagement is needed between SNAP and recipients.

Encouraging work is good for both recipients and taxpayers. Increasing work among SNAP recipients increases economic mobility, leads to greater financial stability, and improves outcomes for children. There is also great dignity that comes from being able to provide financially for one's own family.

Prior testimony provided before this Committee has consistently shown recipients do want to work, and research by USDA shows that many adults do. We heard about this during our last full Committee hearing from Keleigh Green-Patton, a former SNAP recipient. In her testimony she shared her story of intermittent times in her life when she received SNAP. One of those times was when she was an adult and unemployed, with two small mouths to feed. As she made her way back into the workforce, she described SNAP to be "like a trampoline" in helping her to back in the workforce.

However, there are still large numbers of households—many with children—that do not report earned income, which is income that a person receives for doing work. According to the latest USDA SNAP Characteristics Report, only 31% of total SNAP households reported earned income. For households without children, the disabled or the elderly, it drops to only one out of five households having reported earned income.

SNAP, along with other programs and approaches, should be temporary support as individuals improve their financial situation. We want more Keleighs and more trampolines. I look forward to hearing from our witnesses today as we seek to better understand how to help individuals enter, re-enter, and remain in the workforce, and experience the dignity of work.

The CHAIRMAN. And with that I will yield to the Ranking Member for any comments that he might have.

OPENING STATEMENT OF HON. COLLIN C. PETERSON, A REPRESENTATIVE IN CONGRESS FROM MINNESOTA

Mr. PETERSON. Thank you, and I want to thank the witnesses for taking their time to be with us today, and I am going to yield my time to our Ranking Member of the Nutrition Subcommittee, Mr. McGovern.

OPENING STATEMENT OF HON. JAMES P. MCGOVERN, A REPRESENTATIVE IN CONGRESS FROM MASSACHUSETTS

Mr. MCGOVERN. I thank the Ranking Member for yielding. There are lots of wrongs in the world for us to do endless hearings on, but it should be clear to everybody on this Committee who has sat through now—this is the fifth hearing on SNAP—that SNAP is something that is working. Time and time again we have heard from witnesses, both Democratic and Republican witnesses, that SNAP is a good program. It is efficient, and it is effective. And we were told by charities and nonprofits that they cannot feed the hungry on their own, they need a strong Federal partner. They urge us not to cut SNAP, not to block grant SNAP. In fact, they

urged us to strengthen the program by making it easier for eligible people to enroll and re-enroll in the program.

And let us be clear, while today's hearing is entitled, *Past, Present, and Future of SNAP: The Means to Climbing the Economic Ladder,* SNAP is a food program. It is not a jobs program, it is not a housing program, it is a food program. Two-thirds of SNAP recipients are kids, seniors, or the disabled, most of whom are not expected to work, unless someone here wants to repeal the child labor laws or send grandma back to work. Of those who can work, the majority do work. But here is the thing that should really trouble all of my colleagues, there are those who work full time in this country and earn so little that they still qualify for SNAP. And no matter how much you want to tweak, change, or supposedly want to reform SNAP, the only way to solve that problem is by increasing wages. And while you are at it, you should adequately fund job training programs so that there are enough slots for people who need them.

I have no idea where these hearings are leading, but I have a sinking feeling in my stomach that they are not leading to a place that is good for millions of struggling Americans. We need better coordination amongst Federal agencies. We need to overcome silo mentalities, and we need a more comprehensive approach to ending poverty. But, quite frankly, that requires a discussion beyond the Agriculture Committee. In the past couple years this Congress has cut SNAP, has demagogued poor people, has tried to block grant SNAP, and has increased hunger in America. I think enough damage has been done. And with that, I yield back my time.

The CHAIRMAN. All right. The chair requests that Members submit their opening statements for the record so the witnesses may begin their testimony and ensure that there is ample time for questions. I would like to welcome our witnesses to the table today. We will have Mr. Patrick Raglow, Executive Director, Catholic Charities of the Archdiocese of Oklahoma City, Oklahoma City, Oklahoma, Mr. Leon Samuels, Executive Director of STRIVE DC here in Washington, D.C., Ms. Elisabeth Babcock, MCRP, Ph.D. President and CEO of Crittenton Women's Union, Boston, MA, and Mr. Grant Collins, Senior Vice President, Workforce Development, Federal Recap Rehabilitation Services, New York City.

Mr. Raglow, your 5 minutes will begin when you are ready. Thank you.

STATEMENT OF PATRICK J. RAGLOW, EXECUTIVE DIRECTOR, CATHOLIC CHARITIES OF THE ARCHDIOCESE OF OKLAHOMA CITY, OKLAHOMA CITY, OK

Mr. RAGLOW. Thank you, Mr. Chairman. Chairman Conaway, Ranking Member Peterson, and distinguished Members of the House Committee on Agriculture, I am Patrick Raglow, Executive Director of Catholic Charities of the Archdiocese of Oklahoma City, a 501(c)(3) human services organization rooted in our Roman Catholic faith. Our mission is to give help and hope to all through the Catholic tradition of service. In 2014, my agency served more than 16,000 Oklahomans across 46 counties of central and western Oklahoma through 16 different social service programs. Last year 76 percent of those served earned less than $15,000 per year.

You are here to review the effectiveness and impact of the Supplemental Nutrition Assistance Program. I applaud your effort to gain clarity on its purpose, impact, and effectiveness, and your willingness to challenge assumptions behind the program to improve its contribution to the health of our people and our communities. I am not here as an expert on SNAP policy or implementation. But having seen the testimony of the four previous hearings, I am confident and pleased you have heard from such experts, and I won't try to rephrase their points. I would just say, to start, that as we examine ways to improve this program, if we are to err, we should err on the side of the poor.

With that in mind, I would like to begin my recommendations for principles to guide your work, include examples which indicate how these principles are already working, and close with some thoughts on how to strengthen the collaboration between government and the nonprofit sector to enable us to more effectively and comprehensively address the needs of those in poverty. I recommend less programmatic mandates from above, greater reliance on local innovation, and incentives to use whatever resources are available to foster relationships, relationships that connect individuals and communities, each to contribute to the well-being of the other.

I believe one of the best ways SNAP can assist the path to self-sufficiency is by linking SNAP, when appropriate, to comprehensive case management. Case management as employed by Catholic Charities and similar agencies, seeks to engage those we serve in a relationship to best address the conditions which bring the client to us, and not merely transfer resources to cover immediate needs. We accompany people on their journey to self-sufficiency, drawing from each client's own resources, talents, aspirations, and objectives. When Catholic Charities and a client partner go through case management, we engage the gifts that they bring, serving in ways that elevate client ownership of their situation and the path forward.

Case management can powerfully improve the lives of those we serve, and this should inform your examination of the broader social safety net programs in which SNAP plays a role. I have learned that in every case informational poverty contributes to economic poverty. Case management identifies barriers, provides tools and skills, and connects clients with available resources, of which they are too often unaware. Effectively and appropriately incorporating case management support in the safety net program such as SNAP would ensure clients receive not just the assistance they need for a day, but information and tools needed to build a pathway out of poverty.

Case management is a key component of our work in Oklahoma, including long term recovery assistance after natural disasters, which we experience all too often, our Sanctuary Women's Development Centers and crisis pregnancy services, migration and refugee programs, and more. The particulars and depth of case management vary in each of these programs, and indeed by each client. But when clients accept the partnership of case management, lives change for the better. As one example, we had 4,000 households that suffered significant to total destruction in the storms of May 2013 in Oklahoma. Those affected weren't usually those asking for

help, they are usually the ones giving it. But of the 4,000 households, more than 3,500 have transitioned to their post-recovery new normal because case management connected them with processes and resources that they don't ordinarily deal with in their daily lives.

So clearly case management can help those in need take effective action toward self-sufficiency and a better life. I will make one distinction. I strongly believe SNAP, and other assistance programs, should leverage case management when appropriate, but I am not recommending case management as a requirement in all cases. We should not make a case management mandate into an obstacle to service, and therefore an obstacle to relationships of which—is at the core of case management. As a faith-based organization largely reliant on parish and local community support, we are going to be present to our brothers and sisters whether they are in case management or not, but case management is potentially life changing, and once a client is ready, so is Catholic Charities, and great things happen.

Thank you for demonstrating through this process that we can be civil, productive, and faithful to our principles and constituents while undertaking a deep look at a multi-faceted program touching the lives of more than 46 million Americans.

[The prepared statement of Mr. Raglow follows:]

PREPARED STATEMENT OF PATRICK J. RAGLOW, EXECUTIVE DIRECTOR, CATHOLIC CHARITIES OF THE ARCHDIOCESE OF OKLAHOMA CITY, OKLAHOMA CITY, OK

Chairman Conaway, Ranking Member Peterson and Members of the House Committee on Agriculture,

I am Patrick Raglow, Executive Director of Catholic Charities of the Archdiocese of Oklahoma City, a 501(c)(3) human services organization rooted in our Roman Catholic faith. Our mission is to give help and hope to all through the Catholic Tradition of Service.

In 2014, my agency served more than 16,000 Oklahomans across 46 counties of Central and Western Oklahoma through 16 different social service programs. Last year, 76 percent of those served earned less than $15,000 per year. I'll say this again: more than 12,000 of those we served last year earned less than $15,000 per year. That's a heartbreaking number which I wish did not exist, but since it does, I am glad that Catholic Charities is with them in their need. On behalf of those we are privileged to serve and Archbishop Paul S. Coakley of the Roman Catholic Archdiocese of Oklahoma City, I want to thank you for granting me this opportunity to visit with you today.

You are here to review the effectiveness and impact of the Supplemental Nutrition Assistance Program (SNAP). I applaud your effort to gain clarity on its purpose, impact and effectiveness, and your willingness to challenge assumptions behind the program to improve its contribution to the health of our people and our communities. Any program of this size ought to be reviewed, have its assumptions challenged, to understand whether its impact aligns with its intent, whether its costs are in line with its gains, and whether its consequences, intended and unintended, accrue to the common and individual good. I am not here as an expert on SNAP policy or implementation, but having seen the testimony of the four previous hearings, I am confident and pleased you have heard from such experts, and I won't try rephrase their points. I would just say to start that as we examine ways to improve this program, if we are to err, we should err on the side of the poor.

With that in mind, I would like to begin with my recommendations for principles to guide your work, include examples which indicate how these principles are already working, and close with some thoughts on how to strengthen the partnership between government and the nonprofit sector to enable us to more effectively and comprehensively address the needs of those in poverty. I recommend *less programmatic mandates from above, greater reliance on local innovation and incentives*

to use whatever resources are available to foster relationships, *connecting these individuals and communities* to contribute to the well-being of the other.

Principles of Case Management

I believe that one of the ways the SNAP can most firmly help as an assist to self-sufficiency is by linking SNAP when appropriate to the concept of comprehensive case management. Case management as employed by Catholic Charities and similar agencies seeks to engage those it serves *in a relationship* to best address the conditions which brought the client to us, and not merely transfer resources to cover immediate needs. We accompany people on their journey to self-sufficiency, drawing from the client's own resources and talents, aspirations and objectives. When Catholic Charities and a client partner through case management, we engage also the gifts of their humanity, seeking to serve in ways that elevate client ownership of their situation and its path forward. Case management is not about adding to their circle of friends, nor is it about proselytizing. Catholic Charities agencies serve others not because they are Catholic but because we are; clients need not attend services to receive services. Catholic Charities agencies recognize the dignity of all clients.

I have seen the powerful impact case management can have on improving the lives of those we serve in hopes that this may inform your conversations about the broader social safety net system in which SNAP plays a role. I have learned that in every case, **informational poverty** is a contributor to **economic poverty.** Case management identifies barriers, provides tools and skills, and connects the client with available resources that they often aren't aware of. By incorporating case management support into safety-net programs such as SNAP, we could ensure that clients are not just receiving the assistance they need for a day, but the information they need to build a pathway out of poverty.

I've been in an agency with 270 employees and a $20 million budget, and my current role with 75 employees and a $5 million budget, and through these experiences, intensive case management shines through as a powerful method of improving outcomes for those in need in a variety of communities, programs, and situations. This is born out across the more than 160 agencies in the Catholic Charities USA network, each working in their own community with their own individualized approach, but which provide evidence that intensive case management works!

Case management is a key component of many of our programs in Oklahoma City, including:

- Long-term recovery assistance after natural disasters (which are unfortunately common in Oklahoma),
- Our Family Help, Organize, Prioritize, Empower (H.O.P.E.) program,
- Our Sanctuary Women's Development Centers and Crisis Pregnancy Services,
- Transitional Housing programs and support to sponsored family housing,
- "Housing First" programs aimed at addressing the chronically homeless,
- Welfare-to-Work programs,
- Migration and Refugee Programs, and more.

The particulars and depth of case management vary in each of these programs, and indeed, by each client. But when clients accept the partnership of case management, lives change for the better.

Case Management Helps Change Lives

As just one example, Oklahoma had more than 4,000 households that suffered significant to total destruction in the aftermath of the series of tornadoes and storms that ravaged central Oklahoma in May 2013. Many of those affected were hard-working, competent, independent individuals who were dealt a severe blow. These folks aren't usually the ones asking for help, they're giving it. However, most people even in Oklahoma don't experience firsthand a disaster of this magnitude, and therefore have never acquired the knowledge of how to successfully navigate the myriad government and nonprofit resources available to help them rebuild. It's an intimidating, frustrating, and lengthy process: FEMA certifications, Small Business Administration loan eligibility, Red Cross Shelters, debris removal options, working with insurance adjustors, understanding city clean-up requirements and complying with newly implemented building codes. As if that wasn't difficult enough, regardless of their competence, each of them was trauma-affected—their thinking was affected to a greater or lesser degree just from their experience.

Navigating the path to full recovery is hard, but case managers (not the same as traditional case workers) can help each of them successfully find their way. Of the 4,000 households mentioned above, more than 3,500 have transitioned to their post-

recovery new normal, availing themselves of coordinated case management made available through the Oklahoma Disaster Recovery Project, a collaboration of the local American Red Cross, Salvation Army, United Methodist Church of Oklahoma, Church of the Harvest, Society of St. Vincent de Paul, and Catholic Charities. Case managers facilitated survivor access to Federal, state and local resources for which they were eligible, as well as non-government resources whether from corporations, foundations or individual. These resources could be manpower, material, or money. Each client was assisted based on individual circumstances, so the resources accessed differed accordingly. We will continue to work with the remaining survivors until all who seek assistance have recovered.

Another example comes from shortly after the Great Recession, when I was associated with a food pantry program that served 125 clients a day, Monday through Friday, in a very hard-hit community. It was a fabulous program in many respects: clients were treated well and with dignity, they could select their preferred protein, vegetable, grain, dairy, and even donated desserts, all from a clean, store-like environment. They were allowed to select food their family would actually eat, not simply accept whatever happened to be in the bag that week. It was, in many respects, an excellent and well-run program that ensured those at risk of going hungry could reliably access food. Yet I noticed that 2½ later, too many of our clients were still returning monthly to participate in accessing our food pantry. We had done some things incredibly well, but we at Catholic Charities had, in retrospect, failed to address the conditions that had brought that family to us, and help them to succeed such that our food pantry supplies were no longer needed.

At the other end, I witnessed the success of that particular agency's welfare-to-work program, which coupled the resources available through multiple sources with intensive case management. Staff empowered clients through efforts including budgeting, skill and resource development, child care, and housing support, all time-limited and structured so as to have the client increasingly responsible for their own needs, and ultimately transitioning to self-sufficiency. The program boasted an 86% success rate—incredible.

On another front, Migration and Refugee Service programs run through the Department of Health and Human Services are also incredibly effective, through very intensive case management. Refugees come to American cities and towns from deplorable conditions and persecution abroad. Through case managed services including housing, language training, cultural awareness, job skill development, and more, the majority of these individuals are successfully transitioned to a new environment in a new country, not using their native tongue and are achieving a very high rate of success self-sufficiency within a year. It is amazing to witness.

But let me also emphasize that not all assistance programs should have a case management component. If you want to reach all persons, you have to lower barriers to entry. You have to meet people where they are, and they may not be willing, or ready, or able to undertake such a journey. For instance, at our Sanctuary Women's Development Center, which serves women and women with children facing homelessness, we offer a safe space, access to showers, laundry, food, fellowship and more. Most of our women have a wary eye on our operation, but after visiting the first time, they are known by name. Each subsequent visit they are greeted by name and with a smile. At our Day Center, we offer case management. Each woman is made aware of our services, but it is only after having built trust and confidence that we care, that they'll be safe, that we can be trusted, will they enter into case management. In this setup, food assistance, laundry and shower facilities, and bus passes are the bridges to the relationship I mentioned above. Of approximately 600 women and women with children that visit us monthly, some 150–200 are in case management at any given time. From these, using our own resources and those of the community around us, including those resources made available through government programs such as VA-supported Housing or Section 8 vouchers or job training, we assist on average nine women a month into permanent housing, which we don't count successful until they remain in that housing for 6 months or longer.

As you can tell, I believe strongly in the power of case management to help those in need create a solid path to a better life. At the same time, while assistance programs should have a connection to case management, a case management requirement should not by itself be a barrier to services. As a faith-based organization largely reliant on our faith community with very limited government resources, we are going to be present to our brothers and sisters whether they are in case management or not. But the opportunity for case management is potentially life changing, and once a client is ready, so is Catholic Charities, and great things happen.

Strengthening Our Ability to Respond to Those in Need

I hope I have shown the positive, power of intensive case management, and also, the critical role the Federal Government plays and must play in meeting needs of those on the margins of our society. **While dollars are not the only solution, they are nonetheless necessary for that solution.** Individuals rarely have a relationship with the Federal Government—but they do have relationships with their neighbors, with church families, school groups and organizations, and the like. Local agencies do create and sustain working relationships with those they serve; leveraging government resources to accomplish what resources alone cannot and could not ever build. I submit that pairing the resources with relationship is essential to improving lives, and therefore to meeting the intent of the allocation in the first place.

Case management works because it is not merely a transfer of resources, nor the application of a formula, but a working relationship. Case management seeks to use all available resources as a means to address immediate unmet needs, while also using those resources as a bridge to relationship, for it is in relationship that we connect the individual to society and society to the individual. Relationship through case management helps nonprofit agencies stretch scarce Federal dollars and other resources by connecting explicitly with the client, drawing on his or her insight and talent, and challenging the client to employ his or her own gifts on a path to self-sufficiency with dignity. It connects individuals with agencies, programs, examples and tools to first chart and then follow a path to self-sufficiency.

Case Management is also about effective decision making. Our faith teaches not only about the rights accorded persons due to their dignity, but also about their responsibility to put the talent they have been given to good use. Effective case managers help clients make better decisions based on better information. Precisely because we believe the clients can and should make their own decisions, we also respect them enough to work through the outcome of those decisions. This does not mean there won't be setbacks, but it does mean continued progress toward goals is expected. In this way, case management assures good stewardship for resources because of the relationship component. Dissociated assistance is much more likely to be abused; where there is no relationship to the resources, there is little harm perceived for their misuse. Case management increases accountability and responsibility by all parties.

Properly executed, case management prevents duplication of service and coordinates effective service approaches from multiple agencies to strengthen each client's progress toward self-sufficiency. At its best, case management is client-centered, client-empowering, and ultimately, client-releasing. Catholic Charities agencies do this in full collaboration with other community providers such as the Salvation Army, Regional Food Bank, City Rescue Mission, and many others. There is plenty of need present in our communities; service providers need not compete with one another, and grants and resources should seek to foster collaboration rather than competition for funds.

By incorporating case management support into SNAP and other safety-net programs, we can ensure that these programs are enabling a journey out of poverty rather than merely sustaining people living in material need. Of course, many users of SNAP may not necessarily need case management. Many of these, as has been noted by other witnesses before this Committee, are the working poor. They are often two-income households, working right and playing right, but simply earning too little to make ends meet. Additionally, children, seniors, and the disabled often rely on the assistance their families receive from SNAP Obviously, food insecurity is a problem that we have a moral obligation to address—no one wants families in need to go hungry. SNAP helps them access healthy and affordable food through programs, and it's impossible to build a pathway out of poverty if you're worried about where your next meal will come from. In all cases, the work of case management and getting people out of poverty for good should be supplemented and supported by traditional safety-net programs like SNAP; they should not be pitted against each other.

I appreciate the work of Members on both sides of the aisle for working together to gain an improved common understanding of the program, showing respect for differing view-points and leading to future decisions made on merit, balancing competing interests for the common good. Thank you for demonstrating through this process that we can be civil, productive, and faithful to our principles and constituents while undertaking a deep look at a multi-faceted program that touches the lives of more than 40 million Americans.

Respectfully,

PATRICK J. RAGLOW,

Executive Director,
Catholic Charities of Oklahoma City.

STATEMENT OF LEON A. SAMUELS, JR., EXECUTIVE DIRECTOR, STRIVE DC, WASHINGTON, D.C.

Mr. SAMUELS. Good morning, Mr. Chairman, Ranking Member Peterson, and distinguished Members of the Committee. I appreciate the opportunity to appear before you today to discuss STRIVE DC's unique Attitudinal Job Readiness Program, and how we help the District's poorest residents. My name is Leon Alan Samuels, Junior, and I am the Executive Director of STRIVE DC, a workforce development agency in Washington, D.C. established in 1999 to combat the high unemployment rate in the District's poorest neighborhoods. Our participants are chronically unemployed, the formerly incarcerated, recovering addicts, public assistant recipients, and the working poor. I am here today to describe how STRIVE DC's program goes beyond workforce preparation and workforce engagement, and aims to change people's lives for the better through workforce advancement.

Last year, in 2014, at STRIVE DC, 63 percent of our clients were SNAP recipients when they started the program, and eventually, after obtaining jobs, 83 percent were able to transition out of a need of the SNAP program. STRIVE DC is a part of a national program, STRIVE International, that provides full range of job training, career development, supporter services to the hardest to employ in cities throughout the United States. STRIVE centers are located in 20 states, including Georgia, New York, Louisiana, Pennsylvania, North Carolina, Illinois, and California. STRIVE DC's program stands out because of our comprehensive case management services, 2 years of support and follow-up. Our training is rooted in the belief that every individual has the power to change, but such an individual needs the tools and supports to do so.

To address the needs of our clients, and provide pathways to self-sufficiency and living wage employment, STRIVE DC is broken down into three different stages. The first stage is workforce preparation. In workforce preparation, there are two components. The first component is our career gear component, where clients are given professional clothing in order to go on job interviews.

The second component is our CORE attitudinal 3 week job readiness training program, in which participants—we take a no nonsense approach to preparing our clients for the rigors of the workplace, helping individuals develop the attitudes and workplace behaviors they need to stay employed. This program mimics the workplace, and forces punctuality, appropriate dress, acceptance of authority, teaches anger management, interpersonal skills, and teamwork.

The second component is workforce engagement. Under workforce engagement, STRIVE DC's Careers Services Department offers career planning and job development services to each participant. The STRIVE DC philosophy is to encourage participants to plan for careers, because in our experience, participants who develop a career mindset begin to make long term decisions.

The third component of that is workforce advancement. Under workforce advancement, we have an occupational skills training

program, in which—after participants complete the core training, they begin a hard skills training program, leading to occupational skills certifications.

The most important component of our program is our case management. One of the essential services that STRIVE DC provides is wrap around case management to support our clients during and after the program. STRIVE DC's supportive services team meets with clients upon intake, conducting an intensive survey of each client's background and life issues. Throughout the program case managers are focused on identifying and overcoming the challenges and the impact of a participant's ability to complete training, and ultimately succeed in work.

In conclusion, STRIVE DC program provides practical guidance in applying for a job, staying employed in the professional world. At the same time, it is intense, confrontational, and sometimes emotional. But more than anything else, it builds the participants' confidence in their own natural ability and self-worth. Yet it is important to understand that many participants have difficult home situations. While training addresses their attitudes and helps them look within themselves to figure out what they need to succeed, it is not just the training that allows for the success of the program. It is essential case by case management and referrals.

I once was unemployed. I once was a food stamp recipient. I once came through the STRIVE program, and after going through the STRIVE program, I worked a job for 6 months. I was on food stamps for approximately 36 days. With that, I came back to STRIVE and served as a job developer. I was promoted to a Deputy Director, and now I sit before you as the Executive Director of STRIVE DC. Thank you very much for your time.

[The prepared statement of Mr. Samuels follows:]

PREPARED STATEMENT OF LEON A. SAMUELS, JR., EXECUTIVE DIRECTOR, STRIVE DC, WASHINGTON, D.C.

Good morning, Chairman Conaway, Ranking Member Peterson, and distinguished Members of the Committee. I appreciate the opportunity to appear before you to discuss how **STRIVE DC's** unique attitudinal job-readiness program helps the District's poorest residents. Many of our clients are SNAP recipients when they start the program and eventually after obtaining jobs are able to transition out of the need for the SNAP program.

Introduction

My name is Leon A. Samuels, Jr. and I am the Executive Director of **STRIVE DC,** a workforce development nonprofit in Washington, D.C. I am here on behalf of **STRIVE DC** to describe how the STRIVE program goes beyond job preparation and job placement, and aims to change peoples' lives for the better. **STRIVE DC** is part of a national program, STRIVE International, that provides a full range of job training, career development, and supportive services to the hardest-to-employ in cities throughout the United States and in London and Israel. STRIVE centers are located in 20 states including: Georgia, New York, Louisiana, Pennsylvania, North Carolina, Illinois, and California.

STRIVE DC was established in 1999 in the District of Columbia to combat the high unemployment rate in the District's poorest neighborhoods. Our participants are the chronically unemployed, the formally incarcerated, at-risk young adults, recovering addicts, public assistance recipients and the working poor. Nearly all of our participants have income at or below the Federal poverty line (95%).

STRIVE DC's programs stand out because of our comprehensive case management services and 2 years of follow up support. Our training is rooted in the belief that every individual has the power to change but such individuals need the tools and supports to do so. We focus on empowerment and transformation for our cli-

ents—not just their job readiness. We ensure that clients are not only ready to find a job, but also ready to keep their job.

Description of Services

To address our clients' needs and provide pathways to self sufficiency and living wage employment, **STRIVE DC** offers six essential services: the CORE Attitudinal and Job Readiness Training, Occupational Skills Training, Case Management, Job Placement and Career Development, Retention/Follow-up and our Career Gear Clothing Closet.

1. CORE/Attitudinal Job Readiness Training: STRIVE DC's success with high-risk populations is based on the transformative attitudinal job readiness training provided by the CORE workshop. The modality is a work-assimilated environment where participants are provided the tools to begin viewing themselves as marketable adults and not as victims. Our 3 week program takes a no-nonsense approach to preparing our clients for the rigors of the workplace, helping individuals develop the attitudes and workplace behaviors they need to stay employed.

The program creates an atmosphere that mimics the workplace, enforcing punctuality, appropriate dress, acceptance of authority, suitable comportment, responsibility for one's actions and work ethic. We require participants to dress like they [are] going to work at a corporation: jackets, ties and slacks for the men; neat hair, modest business attire such as blouses and skirts, or pants suits, and low heels for the women. CORE also teaches anger management, interpersonal skills, proper verbal expression, and teamwork.

In class, participants learn how to write résumés and fill out applications, take orders, accept criticism and function as team members. They learn to use the computer, telephone and fax; and think in terms of job advancement and long-term careers. They must come to class 15 minutes early—as one would a job—and generally conduct themselves as model employees. If they are late to class, they are fired from our program—as employees may be fired from their jobs if they are late. (Fired participants are encouraged to re-enroll for our next scheduled training.) Participants learn by performing tasks in a simulated workplace environment, interacting in-group sessions, attending one-on-one counseling, role-playing, and mock interviewing. CORE is a proven method of increasing the success rates of high-risk individuals in subsequent skills training and employment.

2. Occupational Skills Training: Once participants complete CORE, they may begin a skills training program leading to occupational skills certifications.

3. Case Management: One of the essential services that **STRIVE DC** provides is wrap-around case management to support our clients during and after the program. **STRIVE DC's** Supportive Services team meets with clients upon intake, conducting an extensive survey of each client's background and life issues. Throughout the program, Case Managers focus on identifying and overcoming the challenges that impact participants' ability to complete training and ultimately succeed in the workplace. These challenges include, among others, issues related to childcare, health care, housing, the court system, education, transportation, and emergency funds. Case Managers remain connected to each graduate during the 2 year follow up period, offering referrals, help, and advice. Case management is an essential and critical support system for people who have few resources to resolve the life crises that can interfere with their ability to work. **STRIVE DC** is virtually unique in the District in providing 2 years of official support as well as lifetime access to job placement, career counseling, and case management services to every CORE graduate.

4. Career Development/Job Placement: STRIVE DC's Career Services Department offers career planning and job development services to each participant. The **STRIVE DC** philosophy is to encourage participants to plan for a career because, in our experience, participants who develop a career mindset begin to make long-term decisions—seeking more responsibility at their job, pursuing opportunities for on-the-job training and promotions, and furthering their education in night school. Living wages and career growth set into motion a series of positives that, when coupled with proper case management, keep a person employed and help stabilize his/her family

5. Retention and Follow-Up: STRIVE DC's retention specialist's calls working graduates every 30 days and non-working graduates every 90 days for 2 years. These communications establish the employment status of each graduate and provide the opportunity to offer help and guidance and to monitor progress against goals. **STRIVE DC's** intensive involvement continues even after a client is employed. Employment Specialists function in essence as an outside Human Resources department for our graduates, helping to remediate employer issues, securing supportive services for clients who are facing difficulties, helping clients perceive job growth or promotion opportunities.

6. Career Gear Clothing Closet: The Career Gear Clothing Closet, set up in our basement, has provided over 3,500 unemployed men and women in the Washington, D.C. region with the professional clothing needed to interview for a job. The Closet provides an important service to the community and operates only with clothing donations. It offers another important way for participants to overcome barriers to seeking and finding jobs.

Additionally, **STRIVE DC** has also joined in collaboration with other nonprofits to put District residents back to work through the Workplace DC Collaborative at the Skyland Workforce Center. The Skyland Workforce Center is a project of the Workplace DC, a collaborative of local nonprofit organizations that provide employment-related services. The Center's on-site partners coordinate services to connect job seekers with opportunities and supports that help them obtain and retain employment. **STRIVE DC** and Jubilee Jobs work together to provide work readiness training and job placement; Byte Back Teaches computer literacy, with emphasis on skills needs to search, apply and be competitive for jobs; Southeast Ministry brings GED tutoring, and Samaritan Ministry provides one-on-one employment supports, as well as entrepreneurship training. The Workplace DC Collaborative is a one-stop shop of intensive services that can help the chronically unemployed learn how to navigate the barriers that keeps them from finding employment services.

STRIVE DC's five full-time and two part-time staff serve well over 1,500 annually. This includes about 1,000 people who receive some kind of staff assistance applying for our program and beginning case management files, but who drop out for various reasons; prior graduates who receive our signature 2 years of follow-up services; approximately 100 who graduate, and more than 500 men and women who receive donated business attire. An additional 88 receive our attitudinal training at the Skyland Workforce Center.

Our Impact

The **STRIVE DC** attitudinal job-readiness program has been able to consistently place at least 60% of its graduates in jobs and keep over 60% of those working for at least 2 years. In 2014, 78% of clients were placed in employment making an average wage of $12.95 per hour and 82% of those placed are still employed.

Conclusion

The **STRIVE DC** program provides practical guidance to applying for a job and staying employed in the professional world. At the same time it is intensive, confrontational, and sometimes emotional. But more than anything else it builds the participants' confidence in their own natural abilities and self-worth. Yet, it is important to understand that many participants have difficult home situations.

While the training addresses their attitudes and helps them look within them to figure out what they need to succeed it is not just the training that allows for the success of the program. It is the essential case-by-case management and referrals provided to participants during each phase of the program. The Retention Specialist helps clients connect to social service providers to help them overcome any barriers that may prevent them from completing training and being employed. Such barriers include the lack of childcare; lack of safe housing or dealing with substance abuse issues either their own issues or those of family members. I can attest to the services of **STRIVE DC.** I was once an unemployed client on food stamps, who was placed in a job after completing the **STRIVE DC** program. After working successfully for 6 months I was given the opportunity to give back to **STRIVE DC.** I served as a Job Developer after which I was promoted to Deputy Director and then with hard work I was promoted to Executive Director. I am here for the purpose of Helping D.C. Residents Obtain Employment and Get off Food Stamps. Thank you for your time today.

The CHAIRMAN. Thank you, Mr. Samuels. Dr. Babcock?

STATEMENT OF ELISABETH D. BABCOCK, MCRP, PH.D., PRESIDENT AND CHIEF EXECUTIVE OFFICER, CRITTENTON WOMEN'S UNION, BOSTON, MA

Dr. BABCOCK. Thank you, Mr. Chairman, and Members of the Committee. I come to you as the head of the Crittenton Women's Union, which is an organization based in Boston that leads a network of 35 public agencies and partner organizations across the country in finding expedited pathways out of poverty. Our work combines direct services research and public education to improve

participant outcomes, to improve program design and capacity building for the field, and to create systems change.

The pathway out of poverty is a complex and difficult one, but what we know for a fact with our own work is that families can do this. They can make this pathway to self-sufficiency that is such a complex pathway. We, within our organization, work with 1,400 individuals in a year, and, as you can see from the statistics on the screen, these families that we work with are very complex, high need, and extremely low income. But what you will also see from the statistics on the screen is that, with the right supports, these families are capable of achieving really amazing results.

You can see that, when working with families for a year, families that are currently homeless, formerly homeless, victims of domestic violence, families with great instability in their lives, that over 74 percent actually, within a year, become engaged in school and/or working, and that their current earnings after a year can be $12.60 an hour. Those that have been working with the kind of coaching models that we provide over 3 years attain family sustaining wages. I want to emphasize that. We have 31 percent of families that have been working with the programs for 3 years or so actually able to attain the education and the career paths necessary to support their families, improve their credit, and to actually build the kind of life that they need to be self-sustaining.

Now, what does it take for our families to be able to do this? Well, first of all, it takes understanding that getting out of poverty requires multiple cylinders to fire at the same time, that there are multiple areas that can bring any family into the trap of poverty, or can make it difficult for them to get out. We specialize in working with families to improve these five areas of self-sufficiency development, their well-being, their family stability, their education, their financial management, and ultimately their career, to allow them to optimize their own development and pathways to get to the point that they are self-sustaining. This is a brain science informed process that allows for the issues and stresses of poverty to be taken into consideration in how these families are coached.

So what does it really take for us to be able to get families to the point that they do not require the kind of safety net subsidies that we are talking about today? Well, first of all, we have to understand that families must engage in very hard work to get the education and training that they need to attain the family sustaining jobs. We know that 75 percent of the jobs of the economy as of 2020 are predicted to require education beyond high school, and all of the jobs that pay family sustaining wages require this. Safety net supports are imperative while families are on the self-sufficiency pathway because, obviously, when they don't have enough to support their families, they need support in getting the skills, and getting to the place that they can.

They need additional training beyond high school, and they need the persistence and the resilience to stay on a course which is often, as you can imagine, one of struggling to keep body and family together, get the education that they need, and working at the same time. But we know that our families can do it. The programs that partner with families effectively understand, first of all, that everyone comes to this journey with different strengths and weak-

nesses, and that the pathway to self-sufficiency is an individual one that requires time and requires, as I said, a multi-faceted approach.

The next thing we know is that there has to be a laser focus on goals and outcomes, and a partnership between providers and families to really work on achieving successive goals, so that they ultimately can get to where they want to be. This requires staff who are well trained, and have a short and long term focus on goals achievement. And last, but not least, we know that we need to have frameworks that have been alluded to earlier, case management frameworks that go beyond case management, but actually do skill building that helps participants build the decision-making skills, the behavior management skills, and the persistence and resilience to stay on a very difficult, complicated course of juggling multiple things at the same time.

What I want to say to you is there is no one pathway out of poverty, but, in today's world of the knowledge-based economy, families need to have partnerships in staying the course, and following and finding the course that is going to bring them to those family sustaining jobs. But when we offer these, all our programs are voluntary, and families will voluntarily start working, will voluntarily go on to these difficult courses, and will stay the course until they have achieved the family sustaining jobs that they and their families need. Thank you very much.

[The prepared statement of Dr. Babcock follows:]

PREPARED STATEMENT OF ELISABETH D. BABCOCK, MCRP, PH.D., PRESIDENT AND CHIEF EXECUTIVE OFFICER, CRITTENTON WOMEN'S UNION, BOSTON, MA

Chairman Conaway, Ranking Member Peterson, and distinguished Members of the Committee, thank you for the opportunity to testify before you today. I have been the President and CEO of Crittenton Women's Union (CWU) since our founding in 2006 from the merger of two of Massachusetts' oldest organizations serving low-income women (The Crittenton, founded 1827, and The Women's Education and Industrial Union, founded 1867). The merger brought together the direct services expertise of the Crittenton and the research and advocacy work for which The Women's Educational and Industrial Union was best known to form CWU. We have since grown into one of the largest and most respected human service organizations in Massachusetts.

Annually, CWU serves approximately 1,400 individuals in the Greater Boston area through the following:

- **Housing:** CWU is one of the largest providers of emergency and transitional shelter in Massachusetts. We serve about 420 families a year at our homeless and domestic violence shelters, and through supportive housing services for formerly homeless families in permanent housing. CWU's holistic approach to delivering services helps families simultaneously attain stable housing and reach for economic independence.
- **Mobility Mentoring® Services (MMS):** Programs in this service area provide opportunities to think and plan long-term so that participants can take steps toward an economically secure future. Skill building workshops and one-on-one meetings with staff help participants master basic job readiness and life skills; learn personal financial management techniques; enroll in education/training programs; and/or land entry-level jobs on career tracks that will put them closer to earning a family sustaining wage.
- **Career Family Opportunity (CFO):** CFO is CWU's most comprehensive economic independence program. Piloted in 2009, this program requires a 5 year commitment, but promises that women will come out on the other end with both $10,000 in personal savings and a job paying a family sustaining wage.
- **Research & Advocacy:** CWU conducts rigorous research into the barriers disadvantaged women face in their efforts to gain economic security. With this

knowledge, CWU creates tools, identifies best practices, develops programs, and makes policy recommendations. An understanding of low-income women's struggles, combined with extensive research and knowledge of best practices, make CWU a powerful advocate for legislative initiatives to remove obstacles to economic independence.

CWU's participants are low-income individuals, mostly single mothers. They have an average monthly income of $674, and a median annual income of $7,968, well below the Federal poverty level of $19,000. In addition, 75 of families served are homeless or have a recent history of homelessness, and 60% of adults are unemployed. Approximately 45% are Black, 21% Latino(a), 10% White, 2% Asian.

The CWU "action-tank" model integrates direct services, research and advocacy in a manner that allows us to develop and test new programmatic pathways out of poverty, then share these tools with the field, and use our learning to improve public policies. CWU is like a teaching hospital where, in addition to delivering direct services, we invent new approaches informed by research and best practices, evaluate their effectiveness, and create added value by taking our learning public.

Moving out of poverty is no longer a process of following a simple roadmap to a good job. It is a complex, multi-year process that requires families to:

1. maintain stability,
2. optimize money management,
3. gain post-secondary education and/or training,
4. find their way into a family-sustaining career—all at the same time.

Such a task is difficult under the best circumstances, but new brain science shows that the inherent stress of living in poverty negatively impacts a low-income individual's capacity to deploy the problem-solving skills, multi-tasking, and behavioral persistence necessary to journey to economic independence and create better lives for themselves. Research shows that brain development is not just a result of genetic inheritance, but is also strongly affected by environmental risk factors, including exposure to toxins, poor nutrition, prenatal drug use, low social status, stress, and violence, all of which are more prevalent in low-income households. In addition, the constant struggle to make ends meet, deal with social bias, and protect against trauma also place extraordinary demands on cognitive bandwidth.

At the same time, Federal and state budgets get tighter, leaving fewer resources for single mothers, homeless families and low-income women who together comprise CWU's target population. According to the Massachusetts Budget and Policy Center, over the past decade, funding has been reduced for adult education, job training, child care subsidies and many other programs that help those in poverty cover basic expenses while pursuing the education and training needed to become economically secure. Since these services are mostly used by women, women and children bear the brunt of the budget cuts.

In 2013, CWU's proprietary research, the Massachusetts Economic Independence Index, revealed that a single parent with two children in Massachusetts needs an annual income of almost $66,000—more than 3½ times the Federal Poverty Level—to pay for an apartment, childcare, health care, and other basic living expenses without government support. This reality disproportionately affects low-income women. In fact, women are the heads of household for 72% of the poor families in Massachusetts (2010 American Community Survey, U.S. Census). Poor single mothers often rely on a combination of low-wage work, public housing, employment training, child care subsidies and other public services to make ends meet. Yet, wait-lists for subsidized housing and childcare are often years' long. Given these complexities, the work of social service organizations has never been more important. CWU helps women chart an individualized pathway out of chronic, systemic problems that prevent them from leading economically secure lives without public or private assistance.

CWU defines economic independence as being able to afford a fair standard for housing, healthcare, nutrition, and child care while avoiding dependence on supports such as subsidized housing or nutrition assistance. The shift to a knowledge-based economy has meant that virtually all family-sustaining wage jobs require post-secondary education. However, less than half of those under the poverty level have such education. Recognizing that this is a high standard to achieve for many families, it is nevertheless an important goal to aim towards. In order to achieve this standard of living, low-income families must navigate complicated challenges for years because there are no short-term career paths to the family-sustaining jobs of today.

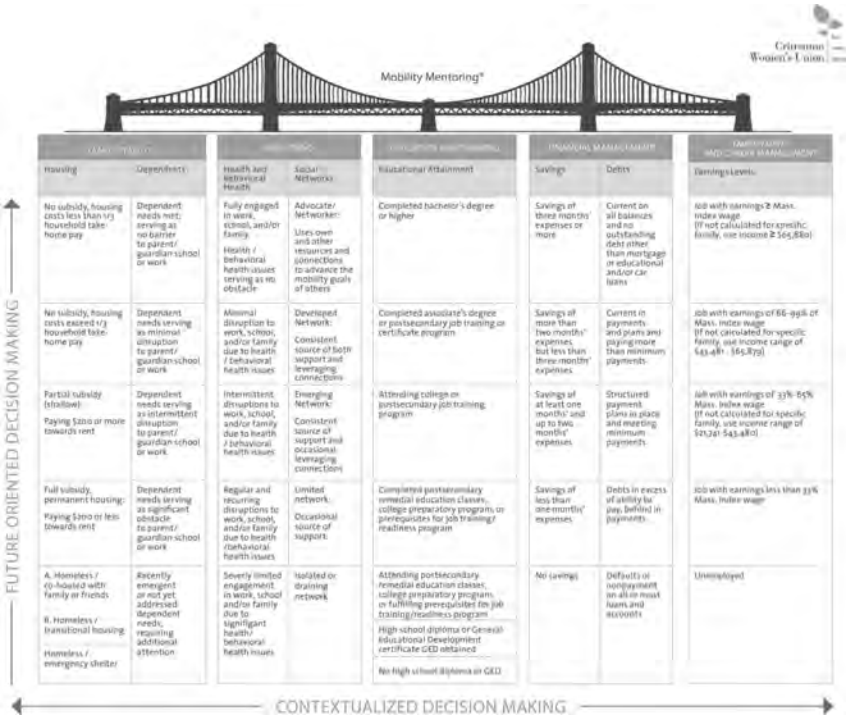
Through applied research and development, CWU has developed a new more effective pathway for economic mobility called **Mobility Mentoring**™. Mobility Men-

toring is the professional practice of partnering with participants using a strength-based model so that over time they may acquire the resources, skills, and sustained behavior changes necessary to attain and preserve their economic independence. This unique client-case worker dynamic is the core of our work. It is this partnership that empowers participants to acquire set long and short term goals and develop the resources, skills, and sustained behavior changes necessary over time to attain and preserve their economic independence.

The central tool in for Mobility Mentoring is the Bridge to Self-Sufficiency™ (the Bridge). The Bridge is a brain science-informed scaffold that positions a person's advancement from poverty to self-sufficiency as a journey across a bridge supported by five pillars: family stability, well-being, education and training, financial management, and employment and career management. Not only is each pillar individually critical to supporting the Bridge as a whole, but the pillars are also mutually connected and reinforcing. When one falls, the others often do as well.

Mobility Mentors work with participants to help them create practical, achievable plans to attain their long-term goals. They then meet with participants regularly track the completion of goals and their progress along the five pillars of the Bridge to Self-Sufficiency, offer guidance, and direct them to valuable resources. They also conduct annual in-depth evaluations and bi-annual meetings to help participants set new short-term goals.

Crittenton Women's Union's Theory of Change Bridge to Self Sufficiency



May 2014.

Mobility Mentoring™ has four essential elements:

1. The Bridge to Self-Sufficiency™ scaffolding: The Bridge (see above) is a brain-science informed "scaffold" that builds decision-making, allows participants to organize and achieve positive steps, and aids in the development of these skills—as an adaptive device that supplements decision-making skill deficits and as a coaching tool for improving the participant's executive functioning (EF) skills. The basic EF skills are: working memory, impulse control, and mental flexibility; these are the primary decision-making skills necessary for the problem solving, goal setting, and goals attainment necessary to achieve

and sustain economic independence. Mobility Mentoring requires use of the Bridge as both an assessment tool and a framework within which a participant can chart their path to economic mobility and independence.

2. Clear individualized goal setting and outcomes measurement: Mobility Mentoring uses the SMART (Specific, Measurable, Attainable, Realistic, Timebound) goals format to set economic mobility goals and collect data to measure both individual client and program progress and effectiveness.
3. Coaching: A mentor-led process designed to improve decision-making, persistence, resilience. Through practice, the process becomes internalized, enabling participants to mentor themselves.
4. Incentives: A system of positive rewards, both tangible and intangible, supports goals achievement. Incentives are based on the difficulty and complexity of the goals achieved. Some participants are also eligible for an IDA matched savings program, enabling them to build up reserve funds faster. This not only motivates participants, but also eliminates a significant barrier to sustaining economic independence—the inability to develop assets when struggling to make ends meet.

Initial results of Mobility Mentoring have been very strong. Hundreds of participants from public housing and shelters have been graduating from college, saving money, and increasing earnings at rates three times higher than average.

Overall participant achievements:

- **74%** in school and/or working.
- Current earnings **$12.60**/hr.
- **74%** banked; 57% have savings.

Those in the program 3 years:

- **31%** achieved living wage jobs of **$44,138.**
- **65%** attained new technical certificate or college degree.
- Savings of **$2,085/pp.**
- **60%** improved credit score.

Outstanding Outcomes

Education & Training	Employment	Financial Management
2009: 1% of all CWU adult participants started a new education or training program.	**2009:** 3% of CWU participants started new employment.	**2009:** 20% of all residents in CWU emergency housing programs developed a household budget, and <1% maintained the budget by ↑ savings & making debt repayment. Between 2010 & 2011 CWU began measuring this indicator in all programs.
2014: 45% of all CWU participants started new education or training program.	**2014:** 23% of all CWU participants started new employment.	**2014:** 70% of participants have developed and maintained a balanced spending plan, and 57% have money saved or set aside.

© Crittenton Women's Union, May 26, 2015.

The current system of public assistance can help poor families survive but is not designed to bring families to economic self-sufficiency. Based on our work, we believe it is possible to move some people to become fully self-sufficient but it takes significant, time, well-trained staff, and a program model that recognizes the complexity of people's lives. While our goal is to help people become as independent as possible, the safety net plays a critical role in stabilizing families so that they can

begin the process of setting short and long-term goals that will lead them to a place where they can survive independent of safety net programs and supports.

Thank you for the opportunity to testify. Please free to contact me with questions or for more information at **Redacted** or **Redacted**.

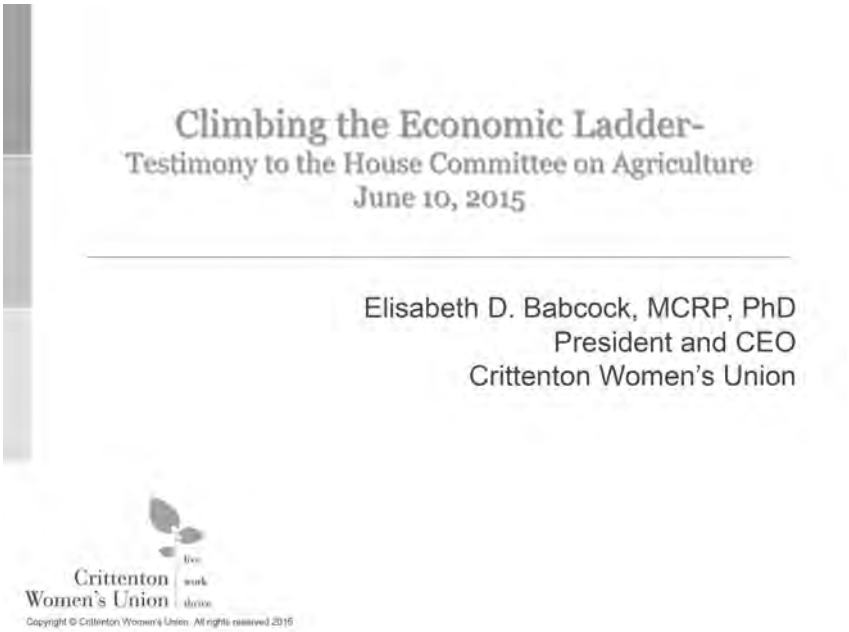
Further Resources

Babcock, Elisabeth, D. *Stanford Social Innovation Review* (Fall 2014). "Rethinking Poverty." *http://www.liveworkthrive.org/site/assets/docs/SSIR_Fall_2014_Rethinking_Poverty.pdf*.

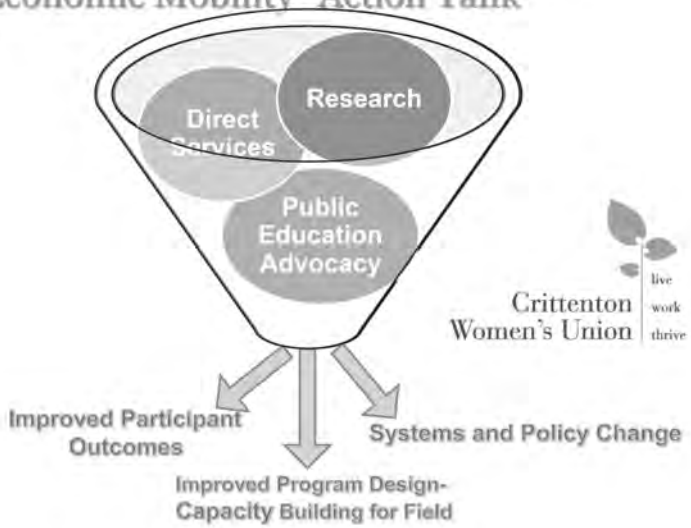
Babcock, Elisabeth, D. *Using Brain Science to Design New Pathways Out of Poverty*. (2014) Boston: Crittenton Women's Union. *http://www.liveworkthrive.org/site/assets/Using%20Brain%20Science%20to%20Create%20Pathways%20Out%20of%20Poverty%20FINAL%20online.pdf*.

Liberman, Ruth, J. *A Plan for Building Skilled Workers And Strong Families Through the Massachusetts TAFDC (Transitional Assistance To Families With Dependent Children) Program*. (2014). Boston: Crittenton Women's Union. *http://www.liveworkthrive.org/site/assets/docs/OnlineSkilled_Workes_Strong_Families_Through_MATAFDC.pdf*.

POWERPOINT PRESENTATION

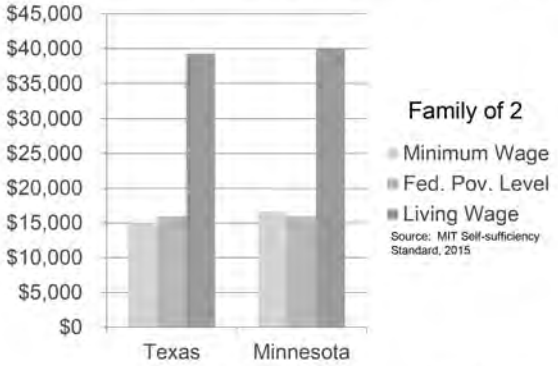


What is CWU? :
An Economic Mobility "Action Tank"



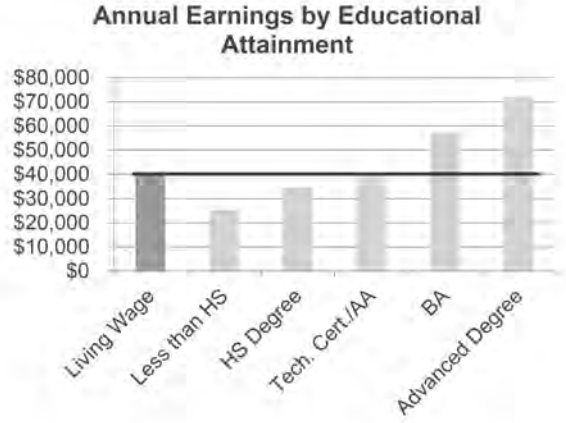
In most states, full-time minimum wage earnings are below the federal poverty line.

In all states, a full-time low-wage worker earns only 1/3 of what it costs to pay the family bills.



Crittenton Women's Union
Copyright © Crittenton Women's Union. All rights reserved 2015

Getting training for better jobs fills the gap. Education = higher earnings



Copyright © Crittenton Women's Union. All rights reserved 2015

Low-income workers can do this... CWU gets consistent economic gains with extremely low-income high-risk single-parent workers.

1,400 participants served-

96% single parent households and 78% have ≤ HS degree;

- 75% are currently homeless or have recent history of homelessness;
- 40% report a major MH diagnosis and 43% report a history of abuse and/or trauma;
- 50% have a least one child with diagnosed special needs.

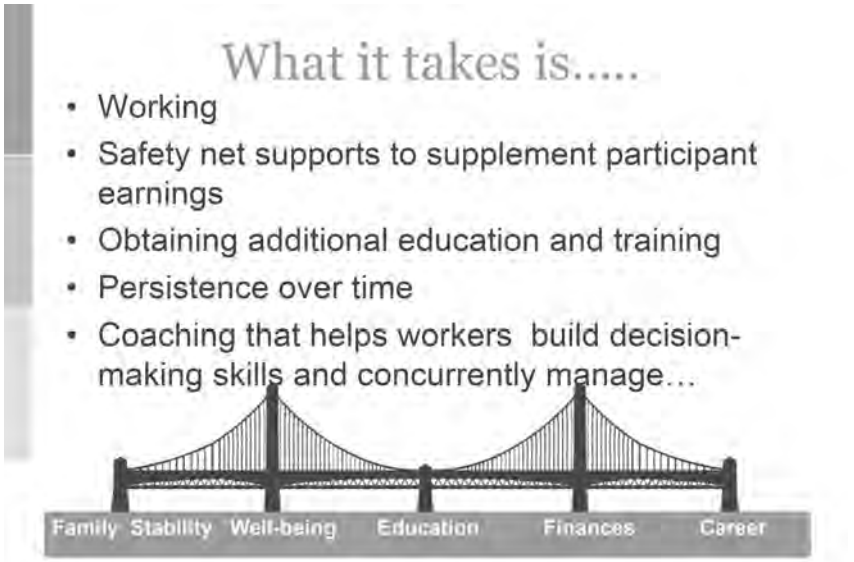
Overall participant achievements-

- 74% in school and/or working
- Current earnings $12.60/hr.
- 74% banked; 57% have savings

Those in the program 3 years-

- **31%** had achieved living wage jobs of **$44,138;**
- **65%** had attained new technical certificate or college degree;
- Savings of **$2,085/pp;**
- **60%** had improved credit score.

Copyright © Crittenton Women's Union. All rights reserved 2015



The CHAIRMAN. Thank you, Dr. Babcock. Mr. Collins?

STATEMENT OF GRANT E. COLLINS II, SENIOR VICE PRESIDENT, WORKFORCE DEVELOPMENT AND EXECUTIVE DIRECTOR, FEDCAP REHABILITATION SERVICES, INC., NEW YORK, NY

Mr. COLLINS. Good morning, Chairman Conaway, Ranking Member Peterson, and distinguished Members of the Committee. Thank you for inviting me to testify on the past, present, and future of SNAP: the means to climbing the economic ladder. I am currently the Senior Vice President of Fedcap Rehabilitation Services, Incorporated's Workforce Development Practice Area. Fedcap is a nonprofit human service company that specializes in addressing the economic well-being of those with barriers to work. Today I will be offering insights regarding a program model that I oversee in New York City known as the Wellness Comprehensive Assessment Rehabilitation and Employment Program, or WeCARE.

The largest program of its type, WeCARE program engages over 50,000 public assistance recipients per year that have health issues through comprehensive case management, and a full range of customized activities that help individuals with health claims reach their highest levels of self-sufficiency. As you can see from the slide, WeCARE provides those with barriers an equal opportunity to transition from welfare to work. The model is consistent with Federal Temporary Assistance for Needy Families, or TANF, rules that include time limited assistance and required participation in federally approved work activities in exchange for cash assistance. However, 100 percent of WeCARE participants do not believe that

they can work, and since 2005, over 480,000 assessments have been completed.

WeCARE presents a unique path for someone with a health claim at the point of application. Presenting a health claim in most local or state public assistance programs leads to no work. As you can see in the second slide, most applying for benefits that present the health claim are either exempted, with no activity, and/or given assistance to apply for Federal disability, rather than assistance to find a job. The WeCARE model does something different with the same person that makes a health claim. As illustrated in *Slide 3,* the health claim is evaluated, as the individual must complete an independent medical assessment as a condition of eligibility. The assessment is conducted by medical doctors to determine the level of work the individual is capable of doing.

The four assessment outcomes listed on the slide are fully employable, which means no accommodations were needed. The second is employable with accommodations. Next is temporarily unemployable, which was also referred to as needing wellness or condition management. Often individuals in this outcome need a condition management plan that may last up to 90 days to allow the condition to stabilize before determining the individual's ongoing work capability. The majority of individuals are able to work once this plan is completed. There will be some individuals that are determined unable to work in the next 12 months who are then provided assistance with applying for possible Federal disability benefits.

After 10 years and over 485,000 assessments completed, the outcomes are quite revealing, as seen in this fourth slide. Though all did not think they could work, we consistently find that six percent of those completing the independent assessments are determined to be fully employable, 44 percent are determined to be able to work with an accommodation, 33 percent need condition management, and 17 percent are possible candidates for Federal disability benefits. The outcomes show that fully ½ of the entire group can work, when they did not think they could, or a doctor told them that they could not, and another 33 percent can get ready for work as their medical conditions are stabilized. In addition, a summary view of employable with accommodations, in *Slide 5,* shows that a range of work and work activities can be successfully completed, and that many can, and do, participate for their required hours, despite their barriers or accommodation needs. *Slide 6* provides contract year 10 outcomes for assessments, wellness completions, placements, retention numbers, as well as the percentage placed, and the number receiving SSI.

In closing, I would like the Committee to know that, based on my experience, I believe the WeCARE program outcomes suggest that more can be expected from those that have been told, or believe that they cannot work, or achieve self-sufficiency. I believe that knowing the dignity of work can become a viable pathway out of poverty, and far more can work than we even thought possible, including those with health and other challenges. I appreciate the Committee's interest in this issue. I hope the Members of this Committee can work together with this panel to ensure that SNAP is

doing everything intended to move more families up the economic ladder. I look forward to answering any questions you may have.

[The prepared statement of Mr. Collins follows:]

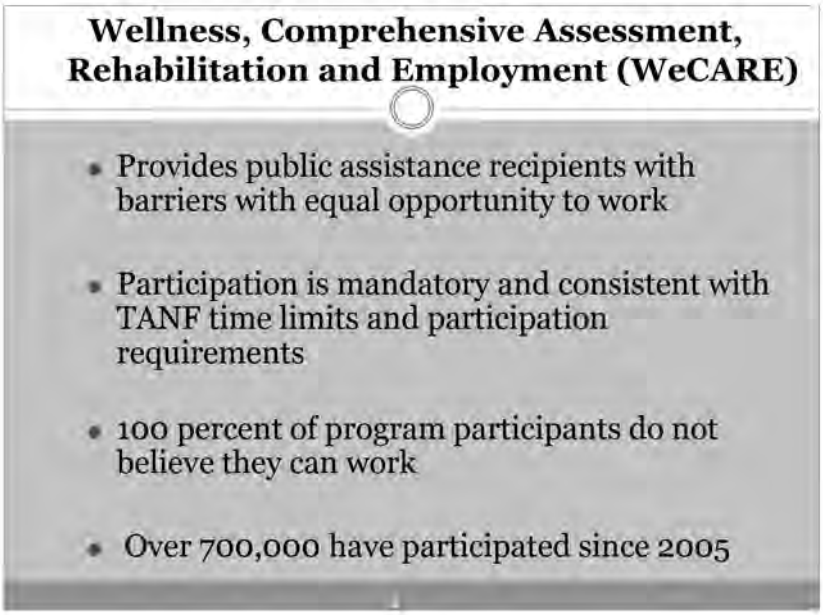
PREPARED STATEMENT OF GRANT E. COLLINS II, SENIOR VICE PRESIDENT, WORKFORCE DEVELOPMENT AND EXECUTIVE DIRECTOR, FEDCAP REHABILITATION SERVICES, INC., NEW YORK, NY

Good morning, Chairman Conaway, Ranking Member Peterson, and distinguished Members of the Committee. Thank you for inviting me to testify on the *Past, Present, and Future of SNAP: The Means to Climbing the Economic Ladder.*

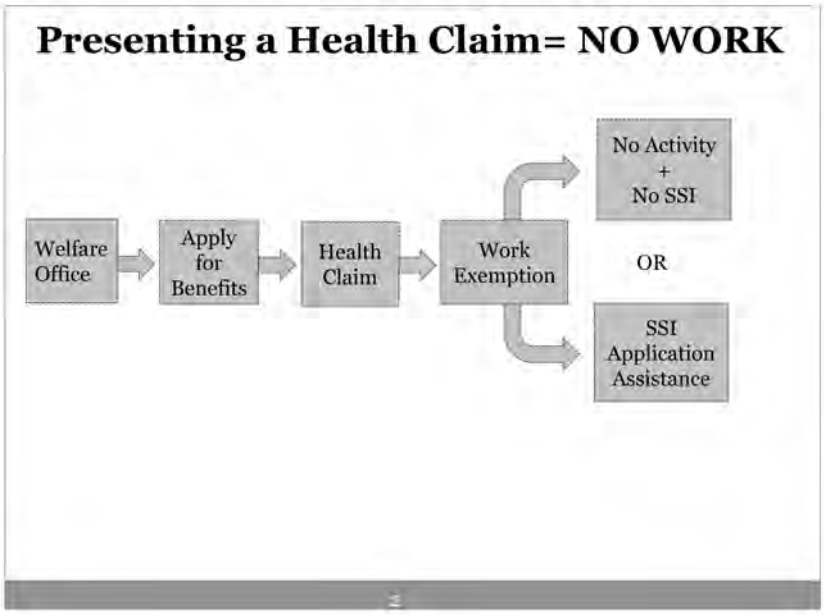
I am currently the Senior Vice President of Fedcap Rehabilitation Services, Inc.'s workforce development practice area. Fedcap is human services company that specializes in addressing the economic well-being of those with barriers to work. Today I will be offering insights regarding a program model that I oversee in New York City known as the Wellness, Comprehensive Assessment, Rehabilitation and Employment (WeCARE) program.

The largest program of its type in the United States, the WeCARE program engages over 50,000 public assistance recipients per year that have health issues through comprehensive case management and a full range of customized activities that help individuals with health claims reach their highest levels of self-sufficiency.

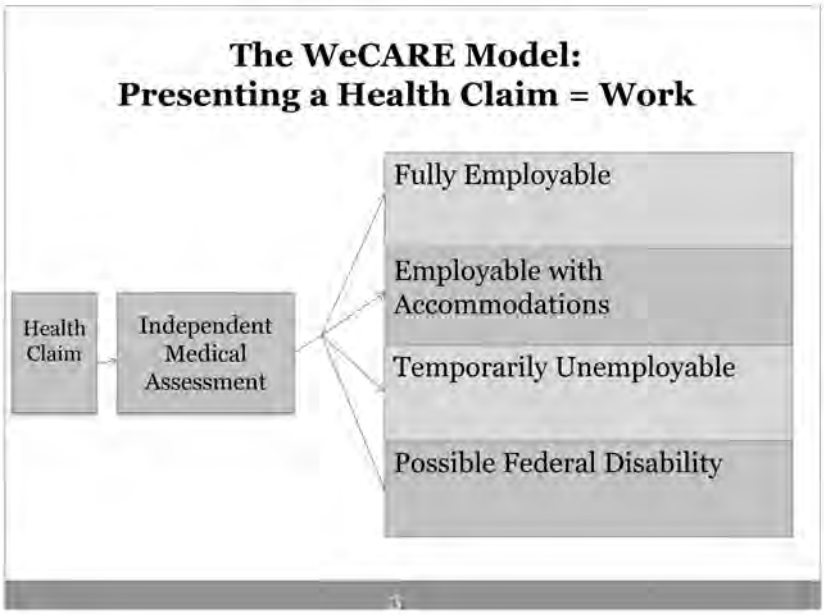
As you can see from the slide WeCARE provides those with barriers an equal opportunity to transition from welfare to work. Just like most TANF programs reciprocity is required and the program is consistent with TANF time limits and participation requirements. However, 100 percent of WeCARE participants do not believe they can work and since 2005 over 485,000 have participated.



WeCARE presents a unique path for someone with a health claim at the point of application. Presenting a health claim in most local or state public assistance programs leads to no work. As you can see in the second slide most applying for benefits that present a health claim are either exempted with no activity and/or given assistance to apply for Federal disability rather than assistance to find a job.

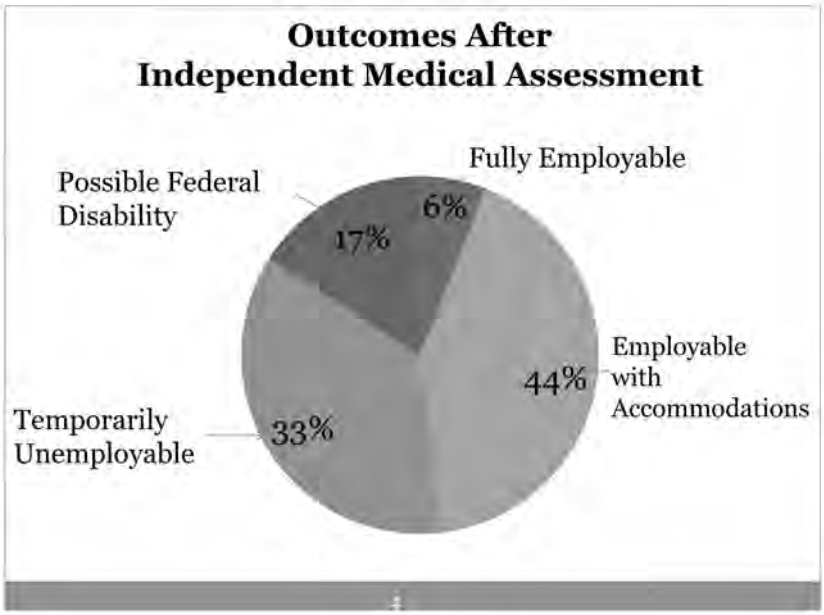


The WeCARE model does something different with the same person that makes a health claim. As illustrated in *Slide 3,* the health claim is evaluated as the individual must complete an independent medical assessment as a condition of eligibility. The assessment is conducted by medical doctors to determine the level of work the individual is capable of doing.

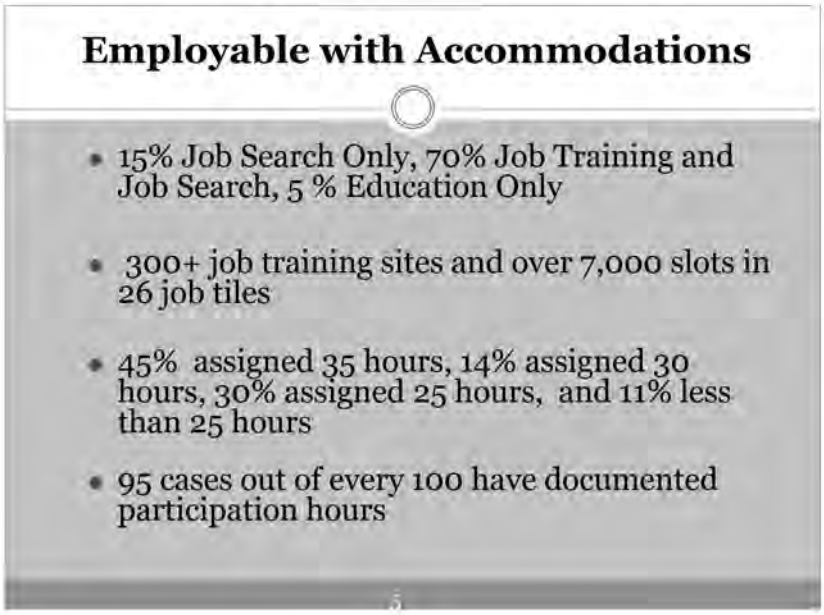


The four assessment outcomes are listed on the slide are (1) fully employable which means no accommodations were needed; (2) the second is employable with accommodations. Next is (3) temporarily unemployable which is also referred to as needing wellness or condition management. Often individuals in with this outcome need a condition management plan that may last up to 90 days to allow the condition(s) to stabilize before determining the individual's ongoing work capability. The majority of individuals are able to work once this plan is completed. There will be some individuals that are determined unable to work in the next 12 months who then are provided assistance with applying for (4) possible Federal disability benefits.

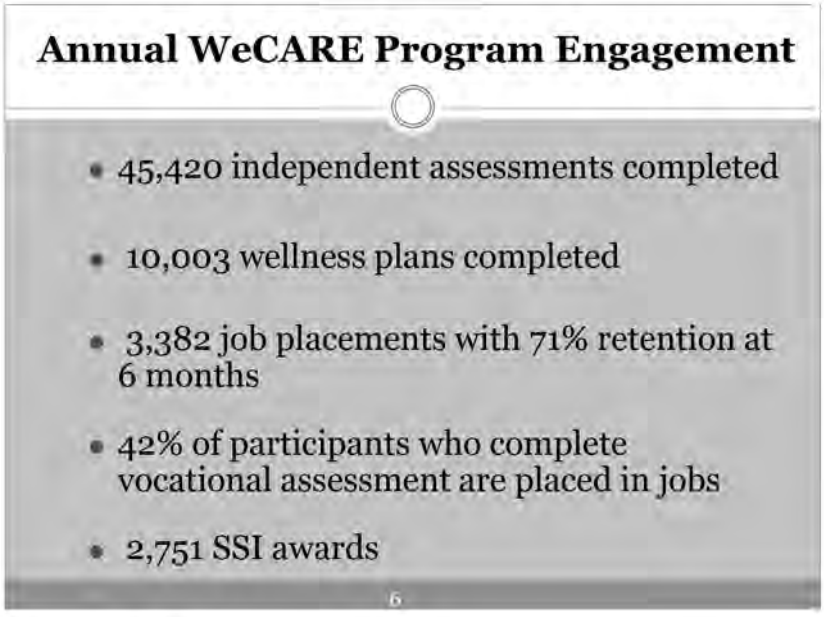
After 10 years and over 485,000 independent assessments completed the outcomes are quite revealing as seen in *Slide 4.* Though all did not think they could work, we find that six percent of those completing the independent assessments are determined to be fully employable, 44 percent are determined to be able to work with an accommodation, 33 percent need condition management, and only 17 percent are possible candidates that may not be able to work. The outcomes show that fully half of the entire group can work even when they did not think they could or a doctor told them that they could not and another 33 percent can get ready for work as their medical conditions are stabilized.



In addition, a summary view of employable with accommodations in *Slide 5* shows that a full range of work and work activities can be successfully completed and that many can and do participate for their required hours despite their barriers or accommodations needs.



Slide 6 provides contract year 10 outcomes for assessments, wellness plans, placement and retention numbers as well as percentage placed and the number receiving SSI.



In closing, I would like the Committee to know that based on my experience, I believe the WeCARE program outcomes suggest that more can be expected from those that have been told or believe they cannot work or achieve self-sufficiency. I

believe that knowing the dignity of work can become a viable path out of poverty and far more can work than we may have thought possible including those with health and other challenges.

I appreciate the Committee's interest in this issue, and I hope that the Members of this Committee can work together with this panel to ensure that SNAP is working as intended moving more families up the economic ladder. I look forward to answering any questions you might have.

The CHAIRMAN. Well, I thank the panel, and I appreciate your comments this morning, and look forward to your answers to our questions. I recognize myself for 5 minutes.

Each one of you mentioned the value of case management to successful outcomes. I am wondering about the training of case managers, and the way their attitudes toward getting their clients back into the workforce. Personal experiences always drive decisions better than anything else. I have a constituent back home who runs a home health care visiting nurses kind of deal, where folks go into homes, people, elderly—and her case load increased. She went to her workforce, who was working part time, and said, I can move you to full time. They all said yes, that would be great. And then, 2 or 3 days later, came back and said they couldn't take those extra hours because, in consultation with their case manager, it didn't operate in their best interest to take on that additional work. It would trim or eliminate benefits.

Starting with Mr. Raglow, can you give us some concept of how we address this cliff, where you move just a little bit above the mark of where you qualify for benefits, you lose those, the income you are getting from that doesn't offset what you have lost in benefits. How do we deal with this transition period, where folks want to work, want to move there, but it is not in their individual self-interest to do that because the way we have the system structured?

Mr. RAGLOW. Thank you, Mr. Chairman. That is a great question. The complexity of the various programs that are assisting an individual often lead to that result, where a marginal increase in their income results in a more than significant loss in other resources that they have available to address their needs. So it is possible that we could taper those, more of a graded degradation of available services based on income, instead of a straight line cutoff. Or, in the case of one of the programs I work with, Welfare to Work, instead of giving them 100 percent rent assistance at the maximum amount each month, we sort of de-incremented it month by month, so that by the time they were at the end of the program, they were accustomed to paying that rent, and so it wasn't 100 percent increase in their rent, it was a fractional increase over time. Thank you.

The CHAIRMAN. So the rent program allowed you that flexibility to work with each client that way?

Mr. RAGLOW. At the time we ran the program, we actually were addressed by the state, by the government oversight agency, saying we weren't spending money fast enough. And so we engaged with them, and said our outcomes are better, because by the time they are done with the program, they are accustomed to paying the rent as they have been——

The CHAIRMAN. Right.

Mr. RAGLOW.—working their way through. That was the Welfare to Work program in Las Vegas.

The CHAIRMAN. Okay. Mr. Samuels, you had some pretty impressive statistics on success rates of folks going to work. First, thank you for your personal story. I appreciate you sharing that with us. Thinking about statistics on folks who go through your program, and move themselves off of the SNAP program, which is our focus here today, do you do long term assessments, or keep track of folks who fall back into the SNAP program? If they don't come back to your program, do you know? The 63 percent that move off, are those folks, like yourself, permanently off, or for the most part permanently off? Can you walk us through your follow-ups?

Mr. SAMUELS. Well, at STRIVE, our case management plan is a 2 year plan, so we follow a lot of our clients for 2 years. I can tell you right now for the last 2 years that 83 percent have gone off of food stamps. The other thing is that, just to piggyback on what Mr. Raglow said, with a lot of our clients, the issue with them is with jobs. When they get a job, and you cut their benefits off, what I have come in contact with a lot of my clients is that a lot of them say, "Well, if I quit my job again, I can just go back on the food stamps, or the benefits, and continue to support myself." And, it is not really supporting, it is a handout, we say at STRIVE. We want to promote hand-ups at STRIVE.

The CHAIRMAN. Well, thank you, I appreciate that. Mr. Collins, you have said that about 44 percent of the folks you assessed can go to work with accommodations. Can you give us a quick kind of list of what those accommodations might be for employers?

Mr. COLLINS. Sure, Mr. Chairman. Some examples would include larger font on a computer when they are at the computer. A wrist brace, maybe a back brace, or a larger chair. Many of the accommodations are quite reasonable, and not largely expensive.

The CHAIRMAN. That in and of themselves wouldn't be a barrier to an employer wanting to bring somebody on? It wouldn't be super expensive to make those accommodations?

Mr. COLLINS. No, sir, it would not be.

The CHAIRMAN. I thank the gentleman. Mr. McGovern, for 5 minutes.

Mr. MCGOVERN. Thank you very much, and I want to thank all the witnesses for being here. And we certainly support the work that you are doing to try to help people who are struggling to get themselves into a better position. I have been advocating for a long time that the White House ought to do a White House Conference on food, nutrition and hunger to figure out how do we end hunger in this country? How do we help people transition to a more stable place? Because, quite frankly, to do that requires a discussion that goes far beyond the jurisdiction of this Committee.

We are responsible for dealing with SNAP here. A lot of the training programs we are talking about are funded from the Department of Labor and other agencies and departments. We need to keep the focus on the importance of SNAP, and the importance of having an adequate SNAP benefit as people are working their way through some of your programs to hopefully end up with a job.

As I pointed out in my opening statement, the vast majority of people on the program are kids, and senior citizens, and people with disabilities, many of whom can't work, and we don't expect to work. Of those who are able-bodied, a majority work. But the prob-

lem is a majority of those who are working are still earning so little that they are still on SNAP.

Dr. Babcock, in your testimony, if I do the math correctly, I calculate that if I am a graduate of your program and making an average, you stated of $12.95 an hour, times 40 hours per week, times 4.3 weeks per month, equals about $2,242 in gross income per month. Based on that calculation, and without any deductions for child care or housing, a single mother with two kids still qualifies for SNAP. Maybe you can comment on how many of your successful clients still need to use SNAP.

And also, I would like you to comment on the fact that one glove doesn't fit all. Of the people that you deal with, not everybody fits into a nice, neat category. There are individual and unique challenges to each individual that sometimes pose problems, and I would appreciate any kind of commentary. Dr. Babcock and Mr. Samuels, if you want to?

Dr. BABCOCK. Well, I would respond with my view that $12.60 is sort of an opening point.

Mr. MCGOVERN. Right.

Dr. BABCOCK. That is employment, the beginnings of employment, and hopefully above minimum wage employment, and that it is incumbent on us to work with families to help them move up the ladder until they can reach those $44,000 a year jobs that we actually move families into. To do that requires time, and it requires persistence. And, as you said, it is not a one size fits——

Mr. MCGOVERN. Right.

Dr. BABCOCK.—all process. It means engaging families, and getting the kind of training that they can excel at, and helping them find those pathways in juggling work, and a home life, and education at the same time to get to that place. And every family comes to that journey with different strengths and weaknesses, and we have to be able to accommodate those strengths and weaknesses, and help build out a strength, and minimize the challenges that families face along the way. But it is a process that requires time, and it requires supports to help keep body and soul together until the gap is filled by their own wages.

Mr. MCGOVERN. All right. Mr. Samuels?

Mr. SAMUELS. The good thing about the STRIVE program is that—our case management. We are checking on our clients—well, initially we are giving our clients an assessment, wherein, we are looking at what their needs are. So if you lack education, you may need to go back to school while you take that job making $12.95. A good thing is that for us this year, on average, our clients are making $12——

Mr. MCGOVERN. Right.

Mr. SAMUELS.—and 95¢. But once you have your plan, you have to continually look back at your plan. That is the goal of my case management, case managers, to make sure clients are following their plan.

Mr. MCGOVERN. I think all of you have made the case about good case management, but the fact is that some SNAP recipients don't need case management, they are already working. And effective case management, I would assume you would all agree, is not cheap. I am just thinking in terms of what might be coming down

the road here. If there were mandates requiring everybody to go through a case management process, I have to believe that you can't do that. And I am not sure that that is the right way to do it. But, obviously those who need case management should be able to get it. That is an expensive proposition. None of this is cheap, am I right?

Mr. COLLINS. Congressman, I would suggest that case management is a wise investment.

Mr. MCGOVERN. I don't disagree that it is a wise investment, but I am just saying one glove doesn't fit all, and not everybody needs case management. If we would require case management for more people, then the money has to be there. Otherwise, it is kind of like we are requiring people that are on SNAP to have job training or be in a job, but in many places they don't have access to job training. So the mandates are good, and the rhetoric sounds tough, but if we are not going to provide this support, then it doesn't help.

The CHAIRMAN. The gentleman's time has expired. Mr. Yoho, for 5 minutes. Mr. Yoho, for 5 minutes. That would be Ted Yoho.

Mr. YOHO. That is fine. Thank you, sir. I appreciate it, Mr. Chairman. I appreciate you guys being here. And this is an important thing, as we are all aware of the farm bill, 80 percent of that goes to nutritional programs, and it is so important that we make the needed reforms so that the money is there for the programs that are working, and get rid of the programs that aren't working. I have been through that process myself, and so I know the importance of that.

And as I read your testimonies, and the reports that we had, it talked about how the faith-based—I think it was yours, Mr. Raglow, where you were talking about you go in and you counsel people. Actually, you all had a component of that, where you talked about going in and counseling, teaching people jobs, and held them accountable. The accountability factor, how does that play, for a large portion of people weaning themselves off of Federal assistance?

Mr. COLLINS. It does, Congressman. This actually supports the previous point I was going to make. Case management comes in many different forms. One is to help navigate the person through the process of becoming engaged, and possibly becoming employed, but there is also retention case management and/or transitional benefit case management. And so it comes in different forms, and all of these are critical if a person is going to successfully make their way through to becoming more self-reliant.

Mr. YOHO. And then, Mr. Samuels, did you say you followed people for 2 years?

Mr. SAMUELS. Yes, sir.

Mr. YOHO. And you said 83 percent, roughly, of the people that moved out got off of assistance?

Mr. SAMUELS. Correct.

Mr. YOHO. Have you guys experienced—we had a house where we had a Section 8 family living in it, and there was about seven children in there. And what we saw was she had her own business, it was a cleaning business. She worked day and night. And as she moved up the economic scale, her assistance came down almost at the same time. What is your experience in that?

And what I was thinking is, yes, we want people off the programs, but we can't take them off too early, because what happens is they are always under the thumb of a Federal program, and they can't get away from it. What is your experience, or your recommendations, Mr. Raglow? We will just go down the line.

Mr. RAGLOW. Thank you. I believe that case management actually connects the various programs. The challenge, as mentioned earlier by Mr. McGovern, is that this is SNAP, and then some other hearing about another program, and some other hearing about another program. But case managers are going to take a look at the individual circumstances of the client before them, connect them to all those available resources, and integrate them into a path that will hopefully get them out of the conditions that brought them to us.

Mr. YOHO. Mr. Samuels, what is your feeling?

Mr. SAMUELS. Well, I wanted to talk about just my personal experience with that. So when I was a job developer, I helped a young lady get a job. She was making almost $20 an hour. And as soon as she got her first check, they cut all of her benefits. So then what ended up happening is she ended up having to work less hours because she was making too much money. If we could find a way, you guys can find a way, to not just cut off benefits again, to just gradually, as individuals make more money, or just support them, that is the main thing. They need support to transition off.

Mr. YOHO. We can do that with your help. We need that transition period, and I would like to have some comments on that. Dr. Babcock?

Dr. BABCOCK. I think the transition is absolutely necessary, but we also have to understand that families who are going to be able to make those increases, they need to have someone standing by them to help them figure out how to do it. I mean, my families, if you tell them, you can get a job paying you $40,000, $50,000 a year, and you can train for it in a year and a half at a community college, and then you say, be a CADCAM specialist, a surgical technologist, they won't know what you are talking——

Mr. YOHO. Right.

Dr. BABCOCK.—about. And so you have to give them information and connection into those paths in order for them to be increasing their wages at the same time that the benefits are decreasing.

Mr. YOHO. Mr. Collins, real quickly?

Mr. COLLINS. In the programs that I have seen across the country, many of them have what are known as earned income disregards. So what they are able to do is, with the flexibility given to them, they are able to design a package that helps incentivize work, and continued work, and retention, by tapering the amount of the benefit along with the increase in earnings. And I would suggest that combining the benefit with earnings for a period of time is a wise investment of resources.

Mr. YOHO. Let me just touch on something. In 1997 President Clinton signed into law the Personal Responsibility and Work Opportunity Act. We saw the largest drop in welfare recipients during that period of time. In 2009, with the American Recovery and Reinvestment Act, the work requirement was waived by this Administration, and again in July 12, 2012 HHS issued an information

memoranda inviting states to apply for waivers. In your opinions, do you think the work requirements are important? And you can submit that, and I am out of time. Thank you.

The CHAIRMAN. The gentleman's time has expired. Mr. Aguilar, 5 minutes.

Mr. AGUILAR. Thank you, Mr. Chairman, I appreciate the opportunity. Dr. Babcock, you talked a little bit about kind of a wraparound coverage, in the sense that it takes all of these different types of conversations to make success happen. Can you talk a little bit about your research and your discussion? Your testimony mentions, with respect to the stress that some of these families are under, and how that affects, in a negative way, the decisions and the outcomes that transpire.

Dr. BABCOCK. Well, this process of multitasking your way out of poverty, of taking care of family, of going to school and working at the same time, moving up a career, managing money, this requires incredibly sophisticated navigational skills and decision-making skills that are very much impacted, we know, by new research in brain science, very much impacted by the stresses of poverty themselves. So new discoveries in neurology and behavioral sciences show us that the people who are most under stress, those at the bottom of the economic ladder, are the ones whose decision-making skills are most compromised by that stress itself.

And so part of the coaching that has to be done is not just connecting people to benefits, and helping them understand the pathways, but actually also coaching the decision-making, problem solving, and persistence that is necessary to be able to multi-task your way out of poverty.

Mr. AGUILAR. But these safety net programs provide a pillar of what is necessary?

Dr. BABCOCK. Absolutely. The science itself shows without a doubt that for every $1,000 or so that the household has coming, whether earned, or where the source is from, it decreases the stresses on decision-making and thinking that is necessary in order for families to be able to work, and go to school, and take care of themselves at the same time. So we know safety net subsidies are a key to supporting individuals who are trying to make their way to this family sustaining job.

Mr. AGUILAR. All right. Thank you so much. If I could ask the other witnesses to comment on the conversation that we were just having about case management and flexibility. What additional flexibility do you feel is necessary to ensure, as Mr. McGovern was saying, that full time worker, managing child care, managing full time work, and still having wages that are so depressed that they qualify for these programs? How do you provide case management and those wraparound coverages that Dr. Babcock has mentioned? How do you provide that in that type of setting, where hours of the day are just diminished? Mr. Collins first, and then Mr. Raglow.

Mr. COLLINS. Sure. I think there are a number of ways to do that. Retention services are a great way to help people in the long term continue to navigate their way up. I think you have to take a longer term view of what success looks like. The first job might not be the last job that they have while we continue to work with this individual, case management will extend itself likely over a

year or more. This, I believe, is a wise investment, particularly as individuals are having to transition and navigate through all of the things that my colleague just mentioned.

I think we need to be careful, however, not to have low expectations here. I am confident that these families are resilient and able to succeed if a high bar of expectation is placed on them.

Mr. AGUILAR. Thank you. Mr. Raglow?

Mr. RAGLOW. The case management approach that Catholic Charities takes tries to take advantage of those gifts that they bring to the table. And it is different for each client through the 16 different programs. We have a full continuum, so some deal with homeless clients, couch surfing, living on the streets, or living in their cars. And that is a different approach than those who are coming in for rent and utility assistance, where each client, before we assist them with rent and utility assistance, we give them financial literacy 101 and a few tools. But 76 percent of those who come to us say that they have gotten skills and tools to address their situations just from their interaction with us.

We offer Family HOPE, Help, Organize, Prioritize, Empower, which is up to 18 months. But because it is a relationship, where they take it, and how we help them, will vary client by client. Thank you.

Mr. AGUILAR. Thank you. Mr. Samuels?

Mr. SAMUELS. I am sorry.

Mr. AGUILAR. On the flexibility within case management, and how you continue to offer that, in spite of full time employees' child care concerns?

Mr. SAMUELS. So what we do once a month is we have alumni support groups, peer to peer support groups. So it is just peers, different families, talking about different issues that come up, and they are managed by one of our case managers, to help families talk about some of the issues that are coming up. You may have a child care issue. One of the good things about all of our programs is that word of mouth spreading from client to client. It helps them navigate a lot of the issues that they have.

Mr. AGUILAR. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. The gentleman's time has expired. Mr. Abraham, 5 minutes.

Mr. ABRAHAM. Thank you, Mr. Chairman. Wow, some great success stories you guys have, and I would suggest that the four of you all could heal some of the ills of the world. I am very impressed with your statistics, and they are objective data that you are giving us. So I would say that if we can get 83—60 percent success rate—and even though that—they are not a one glove fits all type deal, your data supports the pathway that you all have chosen to go with all of these clients have been very effective and very worthwhile, so congrats on that.

And I guess the question I have, and we will ask all the panel. Mr. Samuels, I will start with you. You have your six essential CORE tenets, so to speak. Certainly these types of programs are replicable to other environments. Have you all each talked to other programs to see, and tried to spread the work, so to speak? Start with you, Mr. Samuels, you are——

Mr. SAMUELS. I am sorry, I missed the last part.

Mr. ABRAHAM. I just want to know if—have you engaged with other programs to try to replicate your model and expand your model into——

Mr. SAMUELS. Okay.

Mr. ABRAHAM.—areas?

Mr. SAMUELS. Well, the good thing about STRIVE DC is we are part of a wonderful network across the—we have affiliates across the country.

Mr. ABRAHAM. You are in my State of Louisiana.

Mr. SAMUELS. Yes.

Mr. ABRAHAM. Yes.

Mr. SAMUELS. And we have——

Mr. ABRAHAM. And I know about you guys.

Mr. SAMUELS. We have affiliates across the nation, and twice a year we come together and we talk about best practices, so what is working, what is not working, what we need to change. Right now we are in the process of rolling out a new curriculum, dealing with our training, and focusing on our case management services to make sure that we give the clients what they need, the support. I don't think I mentioned this in my statement, but STRIVE stands for Support, Training Results In Valuable Employees, because at the end of the day, that is what we are looking for, valuable employees to the workforce.

Mr. ABRAHAM. Mr. Raglow?

Mr. RAGLOW. Sir, we collaborate in our local community all the time, and in our view, if you don't care who gets the credit, you can get a lot more things done. So I am not in competition with Salvation Army, city rescue mission, regional food bank. We work together for the benefit of our clients. And then, as a network, Catholic Charities USA, we share best practices all across that forum——

Mr. ABRAHAM. And are they receptive to your suggestions?

Mr. RAGLOW. Yes, absolutely. Absolutely. And then the Council on Accreditation is another step even higher than that, where we apply best practices nationally to the program models that we have in place across 16 different program sectors. Yes, sir.

Mr. ABRAHAM. Dr. Babcock?

Dr. BABCOCK. Yes. Our frameworks and approaches are shared freely with the field as a whole, and so, because of that, we now have a rapidly growing network of welfare offices, large multi-state nonprofit organizations, small nonprofit organizations, city development initiatives, all employing our tools and approaches so that we can learn together how to accelerate the innovation in economic mobility. So we are using these frameworks to teach other what works, and how we can get the best outcomes possible across the nation.

Mr. ABRAHAM. Mr. Collins, are you sharing your program with other avenues?

Mr. COLLINS. Absolutely. The model and framework is listed as a best practice and is easily adaptable for most Temporary Assistance for Needy Families (TANF) or other public assistance recipient groups. We are having conversation with the Social Security Administration—what do we do after someone has applied and been denied SSI three, four, five times that would then be unem-

ployed for 3 and 4 years while waiting? What is the next step for them? How do you get them engaged in work? And, additionally, you can imagine how the model will work for people who are coming out of the criminal justice system and re-engaging in work. These are a few examples, whether the individuals have mental or physical barriers, our model seems to fit very well and we are continuing the conversations are currently underway.

Mr. ABRAHAM. I am just very impressed. I live in the heart of the Delta, and have all my life, so I have been with impoverished people all my life, and I can tell you, most of them are motivated, smart, focused, and they want out of the poverty level. I yield back, Mr. Chairman. Thank you.

The CHAIRMAN. The gentleman yields back. Mr. David Scott, for 5 minutes.

Mr. DAVID SCOTT of Georgia. Thank you very much, Mr. Chairman. Our welfare reform law permanently disqualifies individuals from SNAP participation if they have been convicted of a state or Federal felony involving the possession, use, or distribution of a controlled substance, and a lifetime ban may be applied for any drug felony conviction, regardless of whether an offender served their sentence in prison or received a lighter sentence due to the non-violent or minor nature of the offense. And also a similar ban may also be imposed for TANF funding services for these felony convictions.

And did you all know that now there are 2.2 million people sitting in the prisons of the United States, in the jails? And did you know that just 45 years ago we had only 400,000 people in the United States in our prisons? It is an extraordinary increase in a short amount of time. Another startling fact about this is that 1.1 million of that 2.2 million are African-American men. And what is even more startling is African-American men make up only eight percent of the population of this nation. Eight percent of the population of this nation, but they make up 50 percent of those in jail. These are young men, all basically fathers, with children there.

The reason I am bringing this up is because if we don't look at this particular aspect of how we got here, what happened between 1970 and now to get to the answer to our problem? And as we get to the structure of how this is, we deny help to them for food, number one. And number two, every year we release 600,000 of them back into society. But yet over ½ of those are re-arrested within the first year. And within the next 5 years, 75 percent of them.

And so, Mr. Samuels, you are dealing with this, and I am sure some of the others are dealing with it, but what concerns me about this is the denial, and we look at programs. We have two SNAP E&T state pilot project summaries, but it doesn't allow for any ex-offenders, or people because they have a record. Now we have a controlled substance, marijuana, that is being legalized state, after state, after state.

My whole point about this as we look at what happened, in terms of this phenomenon, in 1970s, when the manufacturing firms left the inner city, moved overseas, those jobs were there, which these people, African-American men especially, were able to get to, and to have, and provide for their families. And at that same time, these networks of crack cocaine were put into the African-American

community. And do you all know who was the maker of that framework? The government. The CIA, through the Iran-Contra program, established that in these inner cities. That was where this drug situation was established, to pay for the Iran-Contra rebels because the Federal Government wouldn't do it.

So my whole point is that we need to get real, and understand we are not treating this situation right because we are looking at it through these tainted lenses. These fellows ain't going to get no jobs when they come out. These programs that we are putting in place are not structured deep enough and well enough for us to deal with the vast complexities of this problem and come to Jesus on the moment of truth. We laid this out. And, unfortunately, particularly African-American young men fell right into it, many because they had no other way of making a living.

Sorry about that, but it was important to get that point on the record.

The CHAIRMAN. The gentleman's time has expired. Mr. Newhouse, for 5 minutes.

Mr. NEWHOUSE. Thank you, Mr. Chairman. Thank you, all of you, for being here this morning. A very interesting and important topic that we are discussing, so I appreciate that. I was an agency director in my state, and one of our responsibilities of the agency was the food programs, and so this is something that is very dear to my heart as well.

Mr. Raglow, I appreciate your testimony. And you talked about the informational poverty, and also economic poverty, and made a distinction between the two. So could you just talk about that a little bit, the lessons you have learned as it relates to case management? Maybe you have some recommendations for other organizations in those lessons, and maybe help me understand the difference between those two terms?

Mr. RAGLOW. Absolutely, thank you for the question. Informational poverty just simply means they don't know what they don't know, and they don't know how to access those resources, or what is available to help them. It doesn't matter how many programs the Federal Government has if nobody knows—or the right people don't know how to access them. And if there are 70+ programs that assist the poor in some form or fashion, that is not orchestrated well, it is not coordinated well. And so you have to orchestrate it at the point of contact with the individual client, and they need to avail themselves of those resources.

Dr. Babcock made an excellent point that when you are suffering some form of trauma, which might be food insecurity, you are not thinking right, and so you are not making good decisions because you are dealing with the immediate. You would say, "Well, that is kind of a dumb decision." But if you are in poverty, you don't have the luxury of taking a longer term view. And so you bring a case manager in, who has a different vantage point, who can see their skills, who can see their problem from——

Mr. NEWHOUSE. Yes.

Mr. RAGLOW.—not get in the canoe with them, but help them navigate a path to a different outcome using those resources.

Mr. NEWHOUSE. Yes. Thank you very much. Mr. Collins, in your testimony you discussed the WeCARE program, Wellness Com-

prehensive Assessment, Rehabilitation and Employment, which helps identify disabilities that individuals may have, but also their abilities.

Mr. COLLINS. Correct.

Mr. NEWHOUSE. So could you talk a little bit about that, I want to give you an opportunity to explain that process, and what it actually means to those people that you are seeking to help?

Mr. COLLINS. Sure. Thank you, Congressman. WeCARE is an interesting program because it is a program that 100 percent of the people come into do not believe that they can work. That is how they got there. If they could have worked, they would have gone to a different program. They showed up at the eligibility office with a doctor's note, or indicated to the eligibility specialist that they had some barrier to work.

So immediately they come over to my program, and we put them through an independent medical assessment. So we take in consideration the doctor's notes and information that they provide us, but we come up with an independent functional capacity outcome, if you will. As you saw in the slides, and the information that is really noteworthy is that after 10 years of doing this, and after 485,000 incidences of these kinds of assessments, we keep finding that over ½ of the people who come in are able to work, but didn't know it, and that 33 percent can get better physically, their health can improve and stabilize, and those too can go to work. And that, quite frankly, a significant minority are then tracked to Federal disability.

So in our program, all of the questions that are asked in the assessment are about what you can do, not what you can't do.

Mr. NEWHOUSE. Yes.

Mr. COLLINS. And the spirit of the program defines work as getting well, following through with your assignments, getting a job, or preparing for a job. So many of our components look very much like Mr. Samuels's components. We include an additional element to help guide individuals toward the work they appear to be good at, we do that through what we call a diagnostic vocational evaluation, so they better understand their strengths and weaknesses, that it helps them pick their own job.

Mr. NEWHOUSE. Great. Excellent. I appreciate that. Well, my time is running thin, but thank you again for your testimony. I yield back, Mr. Chairman.

The CHAIRMAN. The gentleman yields back. Ms. Lujan Grisham, for 5 minutes.

Ms. LUJAN GRISHAM. Thank you, Mr. Chairman, and I want to thank the panel today. I think that most of my colleagues on this Committee agree it is not only the SNAP benefit, but a variety of other public benefits that are critical in providing a leg up in success. I come from a state where we still have the hungriest children in the country, that is an untenable situation, and we have a responsibility in this institution, as well as our private-sector partners, and other public sector partners, to do something to make sure that we eradicate those issues, poverty and hunger, in this country forever. But saying that, I also am from a state that has not recovered from the Great Recession. And, as you are looking at jobs, whether we identify that as job growth or a recovery to back

where we were in 2008 in this country, New Mexico is nowhere close. We have just a little over 3½ percent of our job growth since 2008, so we still have one of the hardest hit economies in the country.

When we talk about these work requirements, and you talk about the successes in other states, I am very curious about what the plan is for states that have no jobs for college students, high school students, folks on public benefits? In fact, the only job growth in our state was in the oil and gas industry. And, recently, with the oil and gas prices decline, that is not true there either. Are there strategies in place to deal with that reality, so that we don't create a situation where we are penalizing unnecessarily folks who, without these benefits, have no other options to feed their families? Anyone on the panel?

Mr. COLLINS. Yes, success means that a person gets a job, and I think that that is a reasonable goal. While it might seem, as the economy is not favorable in some places, all we are really trying to do with our participants is get them a job for their family.

There are many things that can be done to prepare for work, including simulated work, which we do a lot of, occupational skills training in high demand occupations, which we do a lot of as well. And it is always necessary for people to brush up on their job readiness, and their ability to present themselves competently to employers. You can imagine internships. There are a number of viable work activities that can always be done to help prepare individuals and help them progress.

Ms. LUJAN GRISHAM. And, Mr. Collins, I really appreciate those points, because notwithstanding work requirements, and thinking that through, those are skills we have to be providing to larger sets of the American population, so you had me at hello. But reducing a benefit by virtue of that investment in individuals, means I have hungrier children, and I am right back to that untenable situation that I don't think anyone on this Committee would support, if that was really the impact.

I am going to go to another aspect, with less than 2 minutes to go, and I appreciate my colleagues, and particularly the remarks of our Chairman, about what I refer to as the cliff effect. We have a very real issue here. And I have a constituent, I know many of us do, a woman in my district, and I want to just give you the example, because I think that we need to be clear about this on the record.

If a parent with one child is working 40 hours per week, earning the Federal minimum wage of $7.25 an hour, gets a raise, and, in Albuquerque, which is the heart of my district, would be making $8.50 an hour, she is going to receive $208 more per month in salary. That is great. She will lose $683 in support. This means she doesn't have her housing assistance, her SNAP benefits, and completely loses child care benefits. So when you talk, Mr. Samuels in particular, about that folks will say to you that they would rather go back on benefits and not work. I disagree with your characterization, that is because they prefer, and I am overstating your response.

If I am choosing between feeding my child and having a roof over my child's head, or be homeless, and then try to figure that out for

$208 more a month, which I assure you will not pay the rent, or buy food, I am going to do the right thing, and I am going to take care of my child. And so we have to do something——

The CHAIRMAN. The gentlelady's——

Ms. LUJAN GRISHAM.—Mr. Chairman——

The CHAIRMAN. The gentlelady's——

Ms. LUJAN GRISHAM.—about the cliff effect.

The CHAIRMAN.—time has expired. Mr. Lucas, former Chairman of the Committee, 5 minutes.

Mr. LUCAS. Thank you, Mr. Chairman. And, Mr. Chairman, you have put together quite an outstanding panel of very impressive people. I would like to turn my comments to Mr. Raglow and discuss for a moment some of the case work oriented issues, the mechanics of how we do this stuff. And, just for reference, I would note, Mr. Raglow, the four panelists, your colleagues there, represent, by Oklahoma's definition, *big cities,* New York, Washington, Boston. You represent what we might think of as a big place in Oklahoma, Oklahoma City, and the, as you said, constituency in western Oklahoma, but in comparison to a lot of places, relatively small, which, of course, makes the point that these challenges exist everywhere, not just in one particular part of the country, but these challenges exist everywhere.

And the other point I would like to observe, and if you would tell us, your organization has been engaged in this work for how many years, how many decades? Catholic Charities in Oklahoma?

Mr. RAGLOW. Thank you, Mr. Lucas, and thank you for your service to the citizens of Oklahoma. Catholic Charities of the Archdiocese of Oklahoma City began service 103 years ago.

Mr. LUCAS. So you have a little bit of a track record. Your folks understand these issues, and were there not just through the down times of the present in the oil patch, but the bust of the 1980s, and the Great Depression of the 1930s, and the whole gamut. And that depth of knowledge and experience, I very much appreciate.

So let us talk for a moment about case management, and the individuals who deliver those services. As you said earlier, deliver services when they are appropriate, deliver services when they are wanted, but tell us about that. What percentage of your case management people are volunteers, what percentage are professionals? Just give some insights in how Catholic Charities of the Archdiocese of Oklahoma City works these issues with people.

Mr. RAGLOW. Thank you. The vast majority of our case managers are paid staff——

Mr. LUCAS. Okay.

Mr. RAGLOW.—and they are trained, in addition to the skills that they bring to the agency, we train them on policies and procedures that have been vetted, enriched by our experience with the Catholic Charities USA Network, enriched by our interaction with the Council on Accreditation best practices across the nation. And we provide that training to make sure that they are providing appropriate partnering with the client. We don't need to jump in the canoe with them, as I mentioned earlier, but to partner with them to take that journey, and so you have to have appropriate boundaries and distance.

And, as you mentioned, it is a different scenario in a city environment, where there may be many providers and resources that you can partner with and collaborate, whereas, in the smaller towns, the Enids, the Guymons, the Lawtons, Ardmores, there is a ministerial alliance very often at the core of the services that are available, and there are certainly Federal programs, but maybe not as many partner agencies that you can work with. And so you have to be sensitive to the environment, to the communities in which you operate. You need to not come in and say, "We have the best idea." We want to work with the community, and its sensibility and sensitivity, as much as we work with the individual client, and their aims, and objectives, and skills.

Mr. LUCAS. The folks that I refer to in my organization as case workers, the people who deal with individual issues on a day to day basis in the district office, I personally consider it to be an art, not a science. You are born with the skills to be a caseworker, to work with people, or you are not. That is just the nature of the thing. Tell me about how you recruit, encourage, how you find your caseworkers, and how you prepare them to deal with all these myriad issues.

Mr. RAGLOW. Well, I will go to a situation for the disaster response, because we brought together six different agencies. Some people come to Catholic Charities because of our first name, and some people won't because of our first name. So some will go to Salvation Army, some will go to the Red Cross, and whatever. So we provided overall training across six different agencies to respond to those folks affected by the storm, but we did train them on policy and procedures. United Methodist Church in Oklahoma, the voluntary organizations assisting in disaster, they all gathered together, and they all contributed to the wisdom, and the knowledge, and the approach, and the policies that we would apply to those who were seeking assistance after those storms. It is a very effective model, so it can be trained.

Obviously people have an affinity for that work, and some are called with a little bit more effective skill than others. But much of it can be trained, but certainly, at an agency level, you have policy and procedure, you have supervision, you have oversight, and you have organizational structure behind the services that we are asking them to provide.

Mr. LUCAS. But like your four colleagues, you have the ability to be nimble, which occasionally government cannot be, to make adjustments to respond to circumstances.

Mr. RAGLOW. Absolutely.

Mr. LUCAS. Thank you, Mr. Chairman.

The CHAIRMAN. The gentleman's time has expired. Mrs. Kirkpatrick, for 5 minutes.

Mrs. KIRKPATRICK. I thank the Chairman and Ranking Member for having this hearing, and I thank our panelists. This is such an important topic. I represent the Navajo Nation in Arizona, where over 75 percent of the population experience food insecurity. Many of my constituents drive 240 miles to get fresh fruits and vegetables. And, in fact, this creates a health crisis because we have exceedingly high levels of obesity, diabetes, and heart disease. In fact, a young Native American in my district is nine times more likely

to have a diagnosis of diabetes in his or her lifetime than a non-Hispanic White.

So my question is for the entire panel, I don't know who can answer this best, but I really would appreciate your input. First of all, what experience do you have specifically with tribal communities, and then what actions need to be taken to address this crisis?

Mr. COLLINS. If I may——

Mrs. KIRKPATRICK. Sure.

Mr. COLLINS.—I have a lot of experience simply because of my past work in the Department of Health and Human Services, the TANF program, we also did Tribal TANF. I also had the good fortune of going out to the Navajo Nation and teaching job seeking skills many, many years ago. I would suggest that a component of the WeCARE model I oversee would work very well, this component is called wellness or condition management. It is a case managed plan where the individual goes and gets a treatment plan from a doctor, brings it back to the case manager, and together the individual and the case manager work through this plan to make sure the person is following up on appointments, taking their medication, doing their exercise. We consistently find that after individuals complete those plans, which may last 30, 60, or 90 days, depending, about 65 percent of them can work with or without an accommodation.

Mrs. KIRKPATRICK. Anyone else?

Dr. BABCOCK. One of our organizational partners in this work, this mobility mentoring work that we do, is the Penobscot Nation, up in the very northern reaches of Maine. And I can certainly identify with what you are talking about with the special health challenges of isolated populations, isolated from the kind of resources that we want to get them connected to.

I can say that, from our work, that component of health management well-being is one of the core pillars of what we try to optimize with our clients, and it is an integral part of this work of helping clients be work ready, helping them be able to sustain themselves working, going to school, taking care of their families. And those health care issues are definitely exacerbated by stress and poverty——

Mrs. KIRKPATRICK. Yes.

Dr. BABCOCK.—so we know there is a direct hand-in-hand correlation with insecurity of income and food with one's health challenges and outcomes. And so we have to partner to help people manage their pathway out of poverty, including their health, at the same time that we maintain the supports that are necessary to keep them together until they can make that pathway secure.

Mr. SAMUELS. Unfortunately, I don't have any experience working with this population, but I would love, if you would have me, to come out to your constituents and learn more about what help they need.

Mrs. KIRKPATRICK. Well, we will take you up on that. Thank you.

Mr. RAGLOW. Oklahoma is blessed with many Native American Tribes, and when we seek to serve that community, it is very important that we have a relationship with the Tribal entity as much as we can, as well as with the individual Tribal member. Often-

times they can connect resources that we cannot, and *vice versa*. And so relationships matter every bit, and very much in the Tribal community.

Mrs. KIRKPATRICK. Good point. My time is about to expire, but I just want to thank you again, and we would love to work with you. It is a difficult problem to address.

Dr. BABCOCK. It is.

Mrs. KIRKPATRICK. One of the things I know the Tribes are trying to do is bring back local growing of fruits and vegetables, but our seasons are limited, and it is high desert, and drought is a problem, you just encounter one thing after another to address this problem. But thank you, I would love to work with you more on this, and I yield back, Mr. Chairman.

The CHAIRMAN. The gentlelady yields back. Mr. Austin Scott, for 5 minutes.

Mr. AUSTIN SCOTT of Georgia. Thank you, Mr. Chairman, and this is one of those issues where there is more in common than there is in difference. It is unfortunate that sometimes in Washington we let emotions drive the train instead of facts, but thank you all for being here, and for your testimony, and for what you do. We have heard a lot of great statements, successes when a person gets a job, dignity of work. Dr. Babcock, I know you said that there is no one way out, but I think you would agree that every way out of poverty requires work.

And we are going to continue, we will have our debates on whether or not state flexibility and private sector assistance is better than more Federal control. I certainly believe in the flexibility in the private sector case management *versus* Federal agencies in control. But the problem we have right now is that the system is set up in a manner that is in direct contrast of what our goal should be. So the goal should be the harder you work the more you earn, and the more you have. And yet our system is set up where the harder you work, the more you earn, you hit a threshold, and the less you have. And so the question is how do we fix this?

Most disability contracts in the private sector have what is called a residual benefit clause. And so, if you become disabled in your occupation, but you are willing to go back to work in another occupation, your disability contract would continue to pay you, but for every additional dollar that you earn in that other occupation, you might see a reduction in benefits of 20 percent, or 30 percent, or 40 percent, but you didn't see a dollar for dollar offset, and it didn't immediately get cut off. And it seems to me that if we took that same concept, and we applied it to the current system, that we could fix a lot of the problems that we have. And I would just like, if you would, for each of you to speak about that briefly, and whether or not you think that type of residual benefit is what it takes to resolve the problem.

Mr. RAGLOW. Thank you. I do think that not every situation is the same, as it pertains to Federal benefits, and that the cliff is a huge problem, but relationships matter, and you can't have a relationship with a Federal program. You have a relationship with your instructor, with your neighbor, with your community, with your school. And so the opportunity that we have through case

management is to build a relationship, and connect the individual to the community, and the community to the individual.

And it is not so much a work requirement as a work opportunity to engage their talents and their skills, which is individually empowering, and giving them an opportunity to move forward. But it does need to be flexible, because there are some people who are doing everything right, and still fall below the ability to make ends meet. And so it needs to have a little bit of both components, I think.

Mr. AUSTIN SCOTT of Georgia. And, Mr. Samuels, your program, STRIVE, is in Georgia, so I am somewhat familiar with your organization, but would love to hear you speak to that as well.

Mr. SAMUELS. Speak to the program in Georgia?

Mr. AUSTIN SCOTT of Georgia. No, sir, how do we fix this? Is it a residual benefit? I mean, right now, the more you earn, the less you have.

Mr. SAMUELS. I honestly don't know. What I would want to do is, if I could get back to you with that, that answer? Does that work for you?

Mr. AUSTIN SCOTT of Georgia. Sure, absolutely.

Dr. BABCOCK. If you are asking me, I believe that work should pay, and that as people work hard to get ahead, they should not find themselves suffering economically for doing so, and that we need to put in place structures that allow for our safety net's subsidies to be provided in a way that incents people to work, and supports them when they do.

I think what we also have to understand, however, is that not all case management is effective case management, and not all——

Mr. AUSTIN SCOTT of Georgia. I agree with that.

Dr. BABCOCK.—the organizations that provide those services do it well, and we have a paucity of organizations that show that they can help move families to a place where they can sustain themselves. And we need to be focused on——

Mr. AUSTIN SCOTT of Georgia. Dr. Babcock, I am down to 30 seconds.

Dr. BABCOCK.—programs that do that.

Mr. AUSTIN SCOTT of Georgia. I apologize, but I would like to hear Mr. Collins speak as well in the last 30 seconds.

Mr. COLLINS. Thank you, Congressman. All welfare is local, therefore I believe it is a wise principle to allow flexibility as most of the solutions will also reside at the local level.

Each state, each jurisdiction, should have the flexibility to devise what they believe is the right mix of program rules and incentives to help individuals and families transition smoothly, as well as incentivizing work and retention.

Mr. AUSTIN SCOTT of Georgia. Yes. Dr. Babcock, I apologize for cutting you off, but I am down to zero seconds right now.

The CHAIRMAN. The gentleman's time has expired. Mr. Davis from Illinois, 5 minutes.

Mr. DAVIS. Thank you, Mr. Chairman, and thank you to the panelists. It is actually great to follow my colleague, Mr. Scott, and Ms. Lujan Grisham, who brought up a great example of why we are here. Because when we have a system set up in place that, by describing her constituent, doesn't incentivize somebody to get off of

government programs, then we need to know, from those who work within those programs on a daily basis, how do we fix them? I come from Illinois. Illinois was chosen as one of the ten states to receive a grant to start a pilot program under SNAP for job training and economic development. Similar to the work that many of you are doing. I would hope that some of your expertise can come to Illinois to talk about those successes too.

I have a list of questions, but I am probably going to make my staff crazy and go away from them right now, because you are here telling us what is so successful about each of your organizations, how you are working with individuals who are utilizing government programs, and how you are moving them off, in spite of the limitations that Ms. Lujan Grisham talked about for her constituent. So what are you doing right, and what can we do to fix the problems that we have with our institutional programs, and how do we make them work better? If you could do what we do, and fix this, tell me, each of you, what you would do simply to make that first step? We will start, actually, let us start down on this end, since Mr. Scott was the other way. Mr. Collins?

Mr. COLLINS. Sure. I would start by designing a set of program rules that allowed for the maximum flexibility at the local level. As the government, I would establish a very clear expectation of accountability with very high standards for outcomes and quality. The programs at the local level should be flexible. They should be able to make decisions around how they put these interventions together. There are many, many great providers. There are many opportunities to do that. I would also suggest that performance-based payments in that arena might also help to spur some additional outcomes.

Mr. DAVIS. Okay. Thank you. Dr. Babcock?

Dr. BABCOCK. I would be looking to try to set up subsidy programs in a way that supports work, and supports income gains in work. And I would also be looking to try to create programmatic frameworks in which we are working with families to plot paths to family sustaining jobs, where they can envision that future where they will be earning enough to support their family.

Because what we know is, when we look at a problem just within the scope of today, and what the tradeoffs are that are happening today, in terms of income gain and subsidy loss, that people will make decisions based on today. But if it is done within a context of increasing earnings to a point that you are self-sustaining, the decisions might be made differently, and so we have to have case management, or processes that allow for that kind of future gain that can be seen.

Mr. DAVIS. Thank you, Dr. Babcock. Mr. Samuels?

Mr. SAMUELS. Okay. How I would fix the problem is just look at what is working. For us, what is working is our really good case management program, our job placement program, and our supporter services. And then figure out what else individuals need in order to be self-sufficient.

Mr. DAVIS. Okay. Mr. Raglow?

Mr. RAGLOW. Thank you. I would focus on principles more than policies. And we can't just talk about the need on one side, and the challenges on the other. It is the rights of the individual, and the

rights, and our solidarity of being with those who are in need, but also the responsibilities that they have, and that we have to each other. So it is rights and responsibilities. It is work for the common good, we have an obligation to take care of the poor in our midst today, but we have an obligation to do it with today's resources, and not those of my son, who is sitting here beside me. We have to make sure we are doing it with today's resources, and not his resources.

And so there is a balance between the amount of resources that are brought to bear, and the engagement that we have with the individual. And there has to be a balance, as was mentioned earlier, at the local level is best.

Mr. DAVIS. Well, thank you. What is your son's name?

Mr. RAGLOW. Thomas.

Mr. DAVIS. Thomas? How old are you, Thomas? Thanks for coming to Washington, D.C. I am just using the last of my time, down to 3 seconds. I yield back, Mr. Chairman.

The CHAIRMAN. The gentleman yields back. Those are Mr. Lucas's constituents, not yours, Davis.

Mr. DAVIS. We will apologize now.

The CHAIRMAN. Mr. Allen, for 5 minutes.

Mr. ALLEN. Mr. Chairman, I want to thank you. This has been very enlightening. And, of course, we all want solutions, and, Mr. Samuels, I congratulate you. You are one of my new heroes. I have had several that have been in hearings here, but I realize the courage it takes to say, hey, I have to change things. And I appreciate where you have come from, and where you are, and I congratulate you on that. And I will feel like my role as a Member of the United States Congress will be complete when every American has that same story.

I have said this for years, that the intact American family is the greatest economic engine ever created. We haven't talked about the family unit a whole lot here, and I realize that the statistics are out there about the poverty rate is much higher because of the breakup of the family. I would like your input on that, and, obviously, what we can do here to promote the family. And I will just start, Mr. Raglow, at this end, and if you could—or your son may want to address that question.

Mr. RAGLOW. Every program at Catholic Charities is centered on a family strengthening. Whether that is immigration legal services, migration and refugee services, disaster assistance, they are all focused on the family, because that is the sub-unit from which society springs, and so we need to strengthen that. Resources are a part of that problem.

The challenges that were mentioned by other speakers here today in many cases stem from the dissolution of the family, and the weakening of the family. And so, in all that Catholic Charities does, we strive to strengthen the family unit, because that is the basic element. And resources are a part, but they are not sufficient.

Mr. ALLEN. Mr. Samuels?

Mr. SAMUELS. Well, at STRIVE DC, less than 20 percent of our clients have intact families. One of the things we have been trying to do over the years is connect the families. Because once the fami-

lies are connected, mom and dad are married, kids end up being successful, the dog ends up being successful. But——

Mr. ALLEN. Everybody is happy, right?

Mr. SAMUELS. Everybody is happy. And at the end of the day, that is what we are striving for, to make everyone happy.

Dr. BABCOCK. And one of the things that we know, from the data around marriage, is that not only is the intact family a good economic engine for growth for our society, but also that the rates of solid family formation are increased with the increase of earnings that we have. It is a directly correlated thing.

And the interesting thing, Congressman, is that we have found that, with our 98 percent low income, single parent families, that as their incomes gain, as they create this economic process for themselves, that their relationships gain as well. We actually have reuniting of family members in the process, and increased rates of two-parent household formation, stable household formation, and marriage as well. It has been an interesting byproduct, and not one that we expected.

Mr. ALLEN. That is wonderful. Mr. Collins?

Mr. COLLINS. Yes. Real quickly, I am familiar with a program that actually does case management with the family. That is not something that we do in my particular program, but Housing and Urban Development—HUD, through various public housing authorities, has a component, where they case manage the family. The child has to go to school, they can't be truant, they can't get kicked out, otherwise the family is removed from the program. What I like about the program, though, is it incentivizes work.

Mr. ALLEN. Yes.

Mr. COLLINS. Everyone has to participate in the plan. For every dollar gained through employment from any of the work-eligible family members, the amount gained is placed in an interest-bearing savings account that continues to grow for up to 5 years. The idea is to move this family through so they might use the money as a down payment on a home of their own, or start a new business or what have you. But the idea of case managing the family is a unique one. It is not necessarily the way we do business.

Mr. ALLEN. Right. Well, I think that what we want to strive for is for these programs to give an incentive to promote the family, rather than drive the family apart. Thank you very much for your time here this morning.

The CHAIRMAN. The gentleman yields back. Mr. Neugebauer, 5 minutes.

Mr. NEUGEBAUER. Thank you, Mr. Chairman. Thank you for holding this hearing. One of the common things that we have heard from both the panelists and the Members is this word *incentive.* And I was just looking here, in 1969 there was 2.8 million people on food stamps. In 1980, 21 million people on food stamps. 1990, only 20 million people. In 2014, there are 46 million people on food stamps. The question is, obviously the way we are doing things now doesn't seem to be moving, or moving in the right direction, or working. Mr. Raglow, just for my own edification, how are you compensated for the work that you do with potential food stamp recipients?

Mr. RAGLOW. Catholic Charities relies largely on our local community and parish support for the work that we do. We do get Federal revenue for our migration and refugee services programs, and that constitutes about 12 percent of our roughly $5 million budget. But the rest of that budget is from local support.

Mr. NEUGEBAUER. Mr. Samuels, your program, how are you compensated?

Mr. SAMUELS. Okay. So, for the last 2 years STRIVE DC has received government funding, working with juvenile offenders and food stamp recipients. A lot of our funding in the past has come from foundations and individual donors.

Mr. NEUGEBAUER. Yes, because the thing that, for me, and if we are going to talk about incentive, everybody in the food chain, and no pun intended here, but everybody in the food chain has to have some incentive for us to do better. Because we owe it to your son, we owe it to my grandchildren, to do this cost-effectively, but also do it appropriately. And I don't think anybody in Congress wants people that are desperately in need, and cannot help themselves. We don't want to leave them, and let them fall through the cracks.

But the fact that we have seen such a rapid growth in this program, I guess the question I have is are there better models, where, one, we can incentivize both the people that are on food stamps to do better, but also build incentives into the system, so that, when we start talking about resources, if you have a program, and you are succeeding, and you are transferring more people, integrating them, and moving them out of the system, that you are able to resource your organization appropriately. And, at the same time, we leave a little dividend for the taxpayers.

And so I guess my final question is where in the system do you see areas where there are inefficiencies that we could look at that we could make the system better, and incentivize that behavior? And, remember, incentives are two things. Sometimes you can motivate somebody to do something by offering them something, and sometimes you can motivate somebody by taking something away from them.

Mr. COLLINS. Congressman, my program is unique in that the portfolio that I oversee, some of my contracts are 100 percent performance-based. The WeCARE program itself covers the cost for case management, but, quite frankly, if I don't deliver on placements and retentions, I can't make up the rest of the money. So we have a built-in incentive in the way the contract is modeled. Which, again, is just an outgrowth of local flexibility.

Mr. NEUGEBAUER. Okay.

Dr. BABCOCK. The families that we work with have a 44 percent earned income gain within the first year, and their tax payments go up by 35 percent. We know, from a return on investment analysis, that the investments we are making in these families are cost-effective for the public dollar, and decrease subsidies, and increase tax payments. You are right in saying that we have to expect these interventions to prove their worth, and we have to work with families in a way that is going to be able to create that public value for the interventions that we have. I believe ours are doing so.

Mr. NEUGEBAUER. Mr. Raglow?

Mr. RAGLOW. We work with our clients, not all of which will be independent and self-sufficient, so there are more than one category of client. But where we can, we work with the clients on a path they determine, based on their desire, their objectives, their talents, and their skills, and their training. We connect them with those resources so that they can take steps on the path. We may not get them to the final destination, but we will get them further along it.

The CHAIRMAN. The gentleman's time has expired. Mrs. Walorski, 5 minutes.

Mrs. WALORSKI. Thank you, Mr. Chairman. And to all of you, I am so grateful that you are here, and I can tell you that, since the beginning of this Congressional period, I am Chairing the Subcommittee on Nutrition, which looks at this whole SNAP program. And, since January, we have been looking at this holistic view of case management. It is so refreshing for me to sit here, because I do believe that partnering with other organizations that are on the front line, bringing in 501s, and bringing in programs that really are addressing more than just the need of just simply food, or nutritious food, but actually talking about the things that you are all sitting here talking about. You are the experts. One the things that historically has gone on inside this Congress is, you are the experts, we are the funders, and the two have never really met, connected, to find out what is working, and let us implement that, so everybody wins in this country, the taxpayer and those that are in a vulnerable position.

And I think that we have seen, and now it is such a breath of fresh air to hear from you, the importance of case management. Because one of the things we talked about a couple of months ago in this Committee was the issue of what is success? How does the government rate success in a program that is just all government driven? And it is just literally you plug into a formula, and if you qualify for the formula—and what else can the government do well, should the government do, but more importantly, what happens to the vulnerable American people that are literally just putting in a card and receiving X for Y, and there is no other place anyplace else to get help with job skills, with, in some cases, social work management. In some cases domestic abuse, with single moms with kids, and the things that go on.

So one of the things I am pleased to hear from you, from all of you, is the issue of why case management is important, and the issue of engaging with people. I don't think we will ever be successful without engaging locally, and, to your point, Mr. Collins, maximum flexibility at a local level. Definitely looking for the places that produce the best success, and success rated not just in how many people come off the program, but the people that are really taken care of, and moved on to success, and all boats rise when the tide rises.

So, Mr. Raglow, just quickly to you, what is the key—and I know you are all different organizations, but what do you find is the key in getting people to actually engage with your organization?

Mr. RAGLOW. Thank you. It is different across 16 programs, but, as one example, our Sanctuary Women's Development Center, which serves homeless women and women with children, again,

couch surfing, car homeless, street homeless, the initial engagement is at a place where they can get a shower, get laundry done, engage on the Internet to do job résumés and stay connected with family and friends. We don't require them to be in case management. We offer case management.

And out of 600 women and children that come to us each month, we have about 150 that are in case management, and about ten a month that are getting into permanent housing, and we count it successful only after they have been in housing 6 months or longer. But it is that initial phase of relationship, which is why, and only why, I push back on the requirement for a work requirement. I don't want that to be an obstacle to them coming to us. But over time, in our rent and utility assistance, if they get rent and utility assistance, and they don't engage in our family HOPE program, then we don't continue to just cut checks for rent and utility assistance. So there is a little bit of a back and forth, and a relationship that is built from that initial engagement.

Mrs. WALORSKI. And, Mr. Collins, just quickly, do you——

Mr. COLLINS. Yes.

Mrs. WALORSKI.—have a comment on that?

Mr. COLLINS. Four things I just noted. We do outreach, so we do pre-calls to make sure the people come in. We follow up to make sure that they get what they need. If we have to do some sort of troubleshooting over the phone to get them present, we will do that. We provide reasonable accommodations for people. We do wellness follow-up by phone so our participants can decide to change the appointment type from face to face to a phone appointment. As mentioned on occasion even if we do pre-calls, to let people know that they have an appointment coming up, it might just be in some cases we will actually do a home visit. All of these have been great tools for us.

Mrs. WALORSKI. Just let me interrupt you really quickly, I only have 30 seconds left, but do you see, by and large, when folks come in and engage in this program, and I guess to you, Mr. Raglow, as well, you said some people don't want case management. Some people just literally are going to come in, and they are going to go by the program. But a large percentage, 150 out of 600 is a large percentage, of people that actually want to move through a program and get back on their feet.

Do you think right up front a work requirement, and even if it is a basic, minimal work requirement, do you think that turns people off into getting involved in something like case management, or do you think that it is a barrier for people to actually want to be involved in case management because they are afraid somebody is going to have to say, you are going to have to go to work, or do you think that, by and large, the larger percentage of people come in with the attitude that says, maybe they can help me get out of this mess?

Mr. COLLINS. The work requirement is the decision point——

Mrs. WALORSKI. Yes.

Mr. COLLINS.—for everybody. So, without it, it is hard to make the decision. The job doesn't have to be perfect, nor does the requirement, but the fact that the requirement exists allows us to en-

gage with someone and determine how best to help them. So you have to have that framework, in my opinion.

Mrs. WALORSKI. I appreciate it. Thanks——

The CHAIRMAN. The gentlelady's time has expired. Ms. Plaskett, for 5 minutes.

Ms. PLASKETT. Thank you, Mr. Chairman. Good morning to everyone. Mr. Collins, you were talking about the work requirement, or any of the witnesses, what happens when you are in a locale or a location where the unemployment rate is so high that there may not be work available?

Mr. COLLINS. That brings to mind a perfect example of a state that had that challenge prior to TANF. It was the State of Wyoming that I believe had about 10,000 participants on public assistance that today probably has less than 150. And the interesting thing about that I am sure that people would say that one of the barriers was that they couldn't go to work because they didn't have any transportation. Well, the truth is that is a problem for everybody in the State of Wyoming. Again, with the flexibility to address the problem with a local solution, Wyoming was able to figure hour the pathway forward to employment for many of the people they serve on their public assistance caseloads.

Ms. PLASKETT. So you talked about transportation, and I am talking about jobs. This was brought up from the gentlewoman from New Mexico earlier, but I live in a location where we have had a 13 to 15 percent unemployment rate. That is not a matter of people not being able to find transportation. That is a matter of, when they get to the location—and Virgin Islanders will walk anywhere—we are not that big—so they will walk into your office, and the determination is made that they need to have a job, to be part of the program. What happens to those people who are actively looking for work and cannot find that? Dr. Babcock, what happens in those instances?

Dr. BABCOCK. Well, I guess what I would say is that the ability to case manage, the ability to engage with people to help themselves move out of poverty is not filling someone's stomach, and it is not putting a roof over somebody's head, and it is not helping them deal with the immediate needs that they have for survival, and we have to differentiate between the two.

Ms. PLASKETT. Yes.

Dr. BABCOCK. The need for basic requirements of living have to be supported in some way in order for people to actually get to the place that they can listen to and——

Ms. PLASKETT. And what do you think——

Dr. BABCOCK.—work with a case——

Ms. PLASKETT.—those——

Dr. BABCOCK.—manager.

Ms. PLASKETT. And what do you think those basic requirements are? What, in your estimation——

Dr. BABCOCK. Our——

Ms. PLASKETT.—in your work has found?

Dr. BABCOCK. Our experience has been, with the families that we work with, as I said, 1,400 individuals a year, and we have no requirements for work, and yet we get 78 percent work rates out of the families that we work with, which is entirely voluntary. We

have no experience that work requirements are necessary in order to engage families. What we have is an experience of a basic platform of safety being necessary, safety and basic living being necessary, and then a partnership with someone who can help a family get the toehold they need to move ahead.

Ms. PLASKETT. Well, my belief is that part of that safety net is knowing that your children are going to eat——

Dr. BABCOCK. Exactly.

Ms. PLASKETT.—and even if you don't have children, if you have food in your stomach, then you can be more effective in looking for a job for yourself.

Dr. BABCOCK. That is exactly right.

Ms. PLASKETT. And I think that that is a basic requirement that we need to think about. And while it is very great for us to think that we need to wean those individuals off of the program so that they can be self-sufficient, I don't believe that there are that many people out there who want to remain on the back of the government, that individuals want to be able to do that.

And my concern is that we tie these programs to jobs, and in those areas of America where there are no jobs, there are still going to be people, then, who are hungry because they are not able to fulfill that requirement that we are putting on them.

Dr. BABCOCK. Or what we find in our partner states is that where job requirements are in place, there is also in place documentation requirements for proof that that job is being sought. And the time required, and the documentation required to prove that one is in compliance takes away from the time that one would be spending actually seeking those jobs, or seeking the skills that would get them into the job that can sustain the family as a whole.

Ms. PLASKETT. Thank you. Mr. Raglow, we have, in the Virgin Islands, very strong work with Catholic Charities. They do a lot of work down there. And aside from feeding, and being a part of food programs and nutrition programs, it is providing work incentives to try and re-skill people so that they are able to find new jobs. Can you talk about how those programs work together?

Mr. RAGLOW. Absolutely. The thing that you mentioned earlier, about the work requirement, the reason that I am opposed to a work requirement is that I don't want to miss the opportunity to engage in a relationship. But once I have that relationship, I want to work with these clients. I worked in southern Nevada, in Las Vegas, at the height of the Great Recession——

Ms. PLASKETT. Yes.

Mr. RAGLOW.—and we restructured a program, criteria-based, four phase, time bound, that got 16 percent each quarter of the men that came to us from the streets employment, because the first job isn't the last job. So it can be done by working with the client.

Ms. PLASKETT. Thank you. Thank you——

The CHAIRMAN. The gentlelady's time has——

Ms. PLASKETT.—Mr. Chairman.

The CHAIRMAN.—expired. Mr. Thompson, for 5 minutes.

Mr. THOMPSON. Mr. Chairman, I apologize for my tardiness to this hearing, but I really wanted to be here to be able to ask some questions of the panel. Thank you for your written testimony, and thank you for what each of you do, and those you are representing

do in this issue. I mean, we are talking about what I prefer to be called programs of opportunity. And recognizing, with the last questioning that went on, there are some folks that, no matter what we do, unfortunately, by whatever circumstances, they are kind of going to be in that mode.

I spent my entire career working with people who had severe disabilities, and these folks, I mean, you couldn't even imagine the level of disability some of these individuals had, but they all wanted that opportunity. They wanted to be able to be a part of the fabric of the community. They wanted to be productive. They wanted to learn. They wanted to be employed. And so we need the safety net element, certainly, but more than anything else we need to make sure that, as we do these programs, we make them programs of opportunity, to help people grow out of needing that safety net.

Mr. Raglow, with Catholic Charities, what is the value of community organizations? In our last full Committee hearing on SNAP we heard from various organizations that work within their communities to engage with individuals who have fallen on hard times to help them get back on their feet. I worked with a number—I was a member of the Private Industry Council, Center County, that helped people with workforce development. My area Lions Club, we worked with making sure that people had food, and actually, a lot of our members actually go out and deliver the food to those who have limited transportation. It is a very rural area. Can you elaborate on the value of these types of community organizations, what that adds to helping individuals reach self-sufficiency, and what makes your organization unique?

Mr. RAGLOW. Thank you for the question. And we believe, and I appreciated your earlier comments about the value of work. I mean, the dignity of work is a gift itself, and allowing people to engage in that affirms them as an individual.

As community organizations, I don't want to compete with organizations that do work better than I do. I want to partner with them. I want to collaborate with them. There are Southern Baptist Disaster Relief. There are none better at removing debris. Why would I compete with that? But I do long term recovery case management, and they don't. And working together, we better serve the community. And, as I mentioned to a previous questioner, there are some people that don't want to see Catholic Charities because of our first name, and others that don't want to go to the Salvation Army for that name. So we, together, will hit more people, and work together, and serve the community more effectively.

Catholic Charities serves because we are Catholic, not because our clients are Catholic, and they don't need to become Catholic in order to get services. We serve based on need, not on creed. We are proud of who we are, and how we operate, and how we serve, but we very much work with the government. Now, again, I don't have a lot of contracts with the Federal Government, but all of my clients benefit from government programs of one sort or another. So we work with the government, we work with our partner agencies in the town, and we work in small communities, as well as in the major city of Oklahoma City.

Mr. THOMPSON. And why the heavy reliance on private funding, and are there advantages, disadvantages to that?

Mr. RAGLOW. I think the reliance on private funding is a gift to us at Catholic Charities. Organizations tend to be like sunflowers, we look at the source of our light. And I think that having the ability to operate as a Catholic agency, as opposed to a government extension, is very valuable to those we serve, and to those that support us.

Mr. THOMPSON. Mr. Samuels, your organization, obviously STRIVE DC, relies, I believe, on a lot of private funding. Can you speak to advantages, disadvantages of that?

Mr. SAMUELS. Well, over the last 2 years we have had a lot of government funding. Almost 80 percent of our funding was government. Previously we have received private funding. The benefits of private funding is easy. We are able to do what it is we want to do with that money. With a lot of government money, there are a lot of parameters that you have to follow in order to get those——

Mr. THOMPSON. Can you speak to some of those——

Mr. SAMUELS. So, for instance——

Mr. THOMPSON.—attached?

Mr. SAMUELS. This is probably the wrong space to talk about it, but I have been working right now with the District Government with the food stamp for employment program. We have had an invoice—we have been working, actually, with them since December. We have invoiced for three payments, and I haven't received a payment yet. That is one of the problems with small nonprofits working with the government agencies, they hold money. And as a small nonprofit, if I can't pay my staff, what happens to my clients? And my clients are the most important things to me.

Mr. THOMPSON. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. The gentleman's time has expired. I want to thank our panelists for being here today. First off, participating in saving the world in 5 minute slots. It is frustrating, but it is our system.

Mr. Collins, I was particularly impressed with your comments about low expectations *versus* high expectations, that you if set the bar higher for folks, they strive to meet those. And, Mr. Samuels, you had a similar comment, referenced strict standards that you make your clients adhere to. Mr. Raglow and Dr. Babcock, you both talked very eloquently about the case management, the values there, as did the others as well.

The solution for the cliff is a struggle for all of us. It is not rocket science. We have just discovered that benefit cliff this morning. The case managers are the thin neck of the funnel. We in the Federal Government, state governments, and a lot of folks are at the top of that funnel, and we pour stuff in. In this environment, we develop these programs across a variety of committees, which makes the solutions even more difficult, because we all jealously guard our piece of that slice.

We assume housing is the only problem, so put the housing in the funnel. We assume child care is the issue, and throw a bunch of child care. If SNAP is the issue, we through SNAP into the funnel, and it all comes down to your case managers. And we have to do a better job. We spend a lot of money across this government on all these programs. We need to demand more of ourselves to get this right. It is a daunting task.

I had a meeting with folks yesterday supportive of the SNAP program that are terrified that this whole endeavor, the past, present, future of SNAP is some subversive attempt to cut the program, or gut the program. Nothing could be further from the truth. We wouldn't have asked you here today to ask for your solutions and your insights if that were the case. Young Thomas back there has an awful lot of debt stacked up on him. We ought to be trying to limit that as well.

So there are a lot of competing tensions in this issue. All of us have a heart—most of us have a heart—for the poor. Christ said the poor you will have with you always. And that is not to tell us that we shouldn't be doing our jobs, but in much of this instance we have asked the Federal Government, the Federal taxpayer, to do things that families and local communities are far better suited, far more nimble at taking care of business in that regard. This government is ill suited to do what you do, to try to even remotely do it. We put one size fits all programs in place. It doesn't work in Detroit, doesn't necessarily work in Oklahoma City, doesn't necessarily work anywhere. But you are so much more nimble. The innovation that you bring to the table is very appreciated.

My colleagues and I have a lot of work to do across a lot of committees, not just the ones here on the Agriculture Committee. Finding the solution for that benefit cliff is going to be key, because all families are going to operate in their own best self-interest. And if the cliff requires them to turn down hours of work, or not do jobs that make a little bit more money because, in their own self-interest, it hurts them there, we can't criticize those folks because of that. We just have to figure out a way so that they are not challenged with that moral dilemma of losing the dignity of work, of losing the dignity of taking care of themselves because of the way we have stuff structured. We need to fix that, as opposed to blaming them for operating in their own self-interest.

So we are all in this together, and any other insights or thoughts you have in this regard would be very appreciated by the Committee. And, with that, under the rules of the Committee, the record of today's hearing will remain open for 10 calendar days to receive additional material and supplemental written responses from the witnesses to any question posed by a Member. This hearing of the Committee of Agriculture is adjourned.

[Whereupon, at 12:00 p.m., the Committee was adjourned.]

[Material submitted for inclusion in the record follows:]

SUBMITTED LETTER BY HON. ALMA S. ADAMS, A REPRESENTATIVE IN CONGRESS FROM NORTH CAROLINA; ON BEHALF OF CLYDE W. FITZGERALD, JR., EXECUTIVE DIRECTOR, SECOND HARVEST FOOD BANK OF NORTHWEST NC

June 10, 2015

Hon. ALMA S. ADAMS,
Member of Congress,
Washington, D.C.

Dear Congresswoman Adams,

Thanks very much for your invitation to provide input on the economic challenges faced by people served by the Second Harvest Food Bank of Northwest NC for your use in the House Agriculture Committee hearing this week.

In spite of an improving national economy, there is a sustained, significant and still growing need for food assistance across our food bank's 18 county service area. Over the past 12 months, 62% of our partner programs report meaningful increases in the number of requests for food assistance.

Our network currently provides over 300,000 individuals with the food and hope they so desperately need. This is up from 135,000 in 2009. Unemployment and significant underemployment are the driving forces in this tremendous increase. The demise of our region's manufacturing sector has displaced tens of thousands of our neighbors through no fault of their own. These people generally have no chance to participate in the growth of the high-tech sector, as 32% of adult recipients of food assistance in our region have less than a high school degree *versus* only 14% of adults nationally.

We truly serve the working poor . . . as the majority of those we serve have at least one job in their household . . . and many hold several jobs trying to make ends meet. Unfortunately, about 60% of those jobs are part-time, meaning fewer hours, lower rates of pay and no health care coverage.

We also serve the most vulnerable of our region's citizens, as fully ⅓ of those we serve are children and 10% are seniors.

The economic challenges faced by those we serve are staggering! Consider that 78% of our hungry neighbors are from households living at or below the poverty level, with 57% of these households having monthly incomes of $1,000 or less.

The people we serve have to make difficult choices and trade-offs to keep food on the table. 84% of households report purchasing the cheapest food available to provide a quantity of food, even though they know this isn't a healthy option. 73% choose between food and paying for utilities, with 30% making the choice every month. 72% choose between food and paying for medicine/medical care, with 31% making the choice every month. 72% choose between food and paying for transportation, with 31% making the choice every month. 64% choose between food and paying for housing, with 31% making the choice every month. It truly breaks my heart when a parent tells me that their tough decision that day is which of their children will eat because they don't have enough food to feed the entire family every day. I'm deeply saddened when a child tells me that they're not having a good day because it's not their day to eat. No child—certainly not one anywhere in America—should ever have to say it's not their day to eat! Our children deserve better and America can do better!

As you know, the Food Research and Action Center's (FRAC) April 2015 report on food hardship among the general population named North Carolina as the 8th worst of the 50 states. The Greensboro-High Point MSA (part of your 12th district) was ranked No. 1 worst in the nation regarding the percentage of the total population that suffers food hardship. This area was the No. 2 worst in the previous report. FRAC also reports that the Winston-Salem MSA (also part of the 12th district) is the worst metropolitan area in the country regarding the percentage of households with children that suffer food hardship (34.8%). The problem of hunger is quite severe and it continues in spite of significant actions to address the issue. Additionally, Feeding America's 2015 Map the Meal Gap Study reflects that NC's 12th District is the worst in our state for food insecurity among both the general population and children and is among the worst ten Congressional districts in the country.

Dr. Adams, the statistics about hunger in our region are simply unacceptable. Our neighbors are suffering and they need our continued assistance in their struggle for the bare basics in life. The mission of Second Harvest Food Bank of Northwest NC is to provide food and hope to the many who, unfortunately, have far too little of both.

Thank you for your passionate and long-term engagement in working toward solutions to the problem of hunger. Your recently announced Adams Hunger Initiative

has been widely publicized in our region. We deeply appreciate your much-needed leadership in our region and on a national basis.

Sincerely,

CLYDE W. FITZGERALD, JR.,
Executive Director.

SUBMITTED QUESTIONS

Response from Patrick J. Raglow, Executive Director, Catholic Charities of the Archdiocese of Oklahoma City

Question Submitted by Hon. Alma S. Adams, a Representative in Congress from North Carolina

Question. Ms. Mr. Raglow, many under-served areas or communities with high poverty rates do not have access to good-paying jobs that would allow an individual to eventually earn enough income to no longer need to participate in the SNAP program. How would you recommend incentivizing SNAP participants to find work when many of the available jobs in are part-time or do not improve their economic mobility?

Answer. Representative Adams, thank you for the excellent question and this opportunity to respond. My primary response is to repeat my earlier statement that we should seek work not so much as a requirement but rather as an opportunity, one which engages individual talents in ways that both acknowledge and confer self-worth. Franklin D. Roosevelt is quoted on the monument to his memory that "more important than the material gains will be the moral and spiritual value of such work." With that as premise, I submit that whether or not the work in which they might engage earns sufficient income to make recipients no longer eligible for SNAP is not the only objective. Participating in work is a means to participate in society, and the value of work has an intrinsic value beyond earned pay. Further, participation in the workforce allows opportunity for growth in the workforce—quite often the first job in which one is hired is not their last job, for job performance and history often open doors previously unavailable. As for incentivizing SNAP recipients to engage in work, my recommendation is not to create a new SNAP-based work program. Rather, I would recommend that SNAP benefits be linked at the local level, through case management, to already existing public or private sector work programs or ideally to work itself.