

**Testimony of Cathy Roberts, Food Stamp Specialist
with the Nutrition Consortium of NYS
Submitted to USDA FNS at the Farm Bill Nutrition Listening Forum
held in New York City on September 29, 2005**

My name is Cathy Roberts. I am a Food Stamp Specialist with the Nutrition Consortium of New York State (“the Consortium”), a statewide, private non-profit organization dedicated to addressing problems of hunger. The Consortium’s mission is to alleviate hunger for poor and near poor residents of New York State, by expanding the availability of, access to, and use of governmental nutrition assistance programs, through outreach, education and advocacy.

My comments today are intended to supplement the testimony and broad policy recommendations made by Edie Mesick, the Consortium’s executive director. I’m going to focus on a few specific areas.

1. *Work requirements.*

We should eliminate all work requirements in the Food Stamp Program. The Food Stamp Program is the only federal nutrition assistance program which attaches a work requirement to maintaining eligibility. Eliminating all work rules would greatly simplify program administration, more closely align the program with other federal nutrition programs, increase access by low-income households, and reduce the stigma associated with the FSP. The cost of expanding eligibility in this arena would be partially offset by the administrative simplification and elimination of the need for FSET and ABAWD federal funding.

If we cannot eliminate all work requirements, **we MUST ABOLISH the ABAWD eligibility rule.** Existing food stamp employment and training requirements (FSET) already require ABAWDs (Able-Bodied Adults Without Dependents) and other employable adults to participate in work activities. FSET requirements also provide food stamp offices with the authority to sanction ABAWDs and others who fail to comply without good cause. There is simply no need to impose additional work requirements on adults who can’t find a job.

Indeed, we know that many ABAWDs have difficulty maintaining employment. State and local food stamp officials interviewed by the Government Accounting Office in 2003 in an assessment of the FSET program noted that ABAWDs were among the most difficult population to serve, because of limited education and job skills, and issues like substance abuse and homelessness. Many of these individuals need the most intensive employment and training services, and participation in these often does not satisfy the rigid ABAWD requirements. It is not surprising, then, that ABAWDs have one of the lowest

food stamp participation rates – 29% -- of the demographic groups measured by USDA.

In New York State, and particularly in New York City, the existence of the ABAWD rule has resulted in the following:

- 1.) ABAWD waivers are rejected because of the misperception that jobless adults would not have to participate in work activities.
- 2.) ABAWDs are erroneously told that they cannot get food stamps unless they are working or receiving welfare
- 3.) The ABAWD *tracking* requirements are extremely burdensome on local social services districts, and divert limited staff resources away from interviewing households and processing benefits.
- 4.) The ABAWD *reporting* obligations are burdensome and confusing to both recipient households and local district staff, especially because most ABAWDs are simplified reporters.

If we are serious about simplifying program administration and reducing unnecessary barriers to participation, elimination of the ABAWD rule is a perfect start.

2. *Asset rules.*

The current asset limits are so low that they force households to impoverish themselves before they can apply for food stamps, and leaves them with no “cushion” in the event of an emergency or sudden loss of income.

Also, as the Retirement Security Project indicated in their excellent report “Protecting Low-Income Families Savings,” the current asset rules force low-income households with IRAs to deplete their retirement savings before they can qualify for food stamps. (Unfortunately, even excluded retirement accounts are not always exempted by food stamp eligibility workers, because there is a great deal of confusion about which plans count and which don’t.) Similarly, low-income households who have established college savings plans for their children are shut out of the Food Stamp Program.

Because the asset ceilings have been stagnant for so long, we now have the perverse situation where the asset test is *lower than* the monthly income test for many households. For example, the monthly gross income limit for a household of 4 is \$2,097 -- \$97 less than the asset limit. In areas with high housing costs, one month of shelter and utilities alone can exceed the asset limit.

Ideally, we should eliminate all asset requirements from the FSP, just as they have been eliminated from the other federal nutrition assistance programs. This would greatly simplify administration (since eligibility workers would no longer need to verify assets) and increase program access.

Absent complete elimination of the asset test, we MUST:

- increase the asset limit to \$10,000.
- exclude all retirement accounts
- exclude all college savings plans
- [exclude licensed vehicles, which most states already do by borrowing their TANF car resource rule].

Food stamp reauthorization provides the perfect opportunity to abolish or amend the archaic asset rules.

3. *Medical expense deduction.*

The medical expense deduction is tremendously beneficial to elderly and disabled households whose out-of-pocket medical expenses reduce their net income below the poverty level. However, the requirement to verify one's medical expenses is very burdensome and time-consuming for both households and eligibility workers.

Our food stamp outreach staff in counties across New York State have found that the elderly and disabled often are not credited with the proper medical deduction without substantial legwork on the part of the outreach worker and painstaking review by eligibility workers. Sorting through a household's medical bills, figuring out what is covered by insurance and what is not, and estimating which expenses will continue over the course of the certification period is challenging and completely overwhelming to many elderly and disabled individuals, and even eligibility workers. And when changes occur to health insurance programs – such as the implementation of Medicare Part D – trying to estimate a household's future out-of-pocket medical expenses becomes a Herculean task.

Adopting a standard medical deduction, with the option of using actual verified medical expenses in excess of the standard (which is currently being done in the Texas demonstration model) is a simple and effective solution to this problem.

4. *Immigrant restoration*

The Food Stamp Program is the only federal nutrition assistance program which limits benefits to citizens and certain categories of legal immigrants. To truly meet its mission of preventing hunger and malnutrition among low-income

populations, the Food Stamp Program should be made available to all low-income households, regardless of citizenship or immigration status.

Among the categories of legal immigrants who are most harmed by the current alien restrictions are domestic violence victims. Currently, low-income individuals who have received approval of their VAWA immigration petitions based on severe domestic violence must wait 5 full years before they can qualify for food stamp benefits. Ironically, it is during this 5-year waiting period that they are most in need of food stamp benefits, especially during the first year before they have been granted work authorization from BCIS.

Elderly legal immigrants who haven't had a qualified status for 5 years face similar problems – many low-income immigrant seniors are unable to work, yet are shut out of the Food Stamp Program. In New York State, we have not been able to establish a satisfactory mechanism to ensure that disabled elderly immigrants – who can't qualify for SSI due to their immigration status – have access to food stamps.

As an absolute bare minimum, Congress must restore full eligibility to battered and elderly legal immigrants. It is unconscionable to continue to deny food stamp benefits to this population.

5. Other suggestions – special populations

Military families

Through our food stamp outreach staff, we have learned that military families are being excluded from the Food Stamp Program solely because of the way that the Basic Allowance for Housing (BAH) is counted. Because of a change in the way that the BAH is issued – it's now included as income in the military person's paycheck, even when the payment goes directly to a landlord for payment of rent – the inclusion of the BAH puts the household over the gross income limit for food stamp purposes. Some of these households – especially those living in privatized military housing -- would otherwise qualify for food stamps, even if they were not credited with any shelter costs (because the BAH covers these), and are facing significant financial hardship.

During last year's child nutrition reauthorization, Congress excluded the BAH as income for all child nutrition programs. We should do the same in the Food Stamp Program.

Farmers

A recent ERS article indicated that while farm poverty is at its lowest rate in U.S. history (between 5% and 11% of all farm households in the U.S. are

considered to be low-income), only about 20% of eligible farm families participate in the Food Stamp Program.

One of our food stamp outreach staff who works in a large upstate rural county devotes substantial time and resources to connecting eligible low-income farmers with the Food Stamp Program. Her experience is that low-income farm families, already reluctant to turn to the Food Stamp Program due to issues of pride and stigma, find the income and resource verification process to be completely overwhelming. New York State's food stamp source book contains over 10 pages of instructions on how to calculate a food stamp budget for self-employed farmers. The time that farm families must devote to the application and verification process, as well as the arduous review process required of eligibility workers, is a definite deterrent to participation. We strongly recommend that USDA adopt a simplified eligibility determination process to increase participation by low-income farm families.

Thank you very much for providing me the opportunity to submit this testimony today.