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Federal Budget

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## **Trump budget slashes food aid for struggling Ohioans**

# Introduction

The Trump budget would cut food assistance by over \$193 billion – a 25 percent cut – over the next 10 years.<sup>1</sup> Supplemental Nutrition Assistance Program (SNAP), also known as food stamps, is the nation’s largest and most effective anti-hunger program.<sup>2</sup> The President’s proposal would shift costs to the states — costing Ohio \$599 million a year.<sup>3</sup> It would reduce the number of eligible households, and cut benefits for the poorest residents. As a state with high rates food insecurity (16.1 percent of households), Ohio would be especially harmed by this budget.<sup>4</sup> The Center of Budget and Policy Priorities released two reports on SNAP that included Ohio specific data used in this report.

The program keeps children, the elderly, working adults, and people with disabilities fed and healthy. Also, SNAP reduces poverty. The program is means-tested, meaning only low-income families qualify. SNAP is a critical part of our safety net. Because eligibility is based on income, the program is very responsive to economic downturns. As people lose jobs, SNAP provides benefits to the growing number of eligible families. When the economy improves, the number of SNAP recipients falls.<sup>5</sup> In Ohio, 729,178 households received SNAP in April, 2017, down from 794,757 a year earlier.<sup>6,7</sup>

## SNAP serves the most vulnerable

Two-thirds of SNAP recipients in Ohio are children, elderly or adults with disabilities. In 2015, 42 percent of recipients were children (figure 1).<sup>8</sup> Able-bodied childless adults are only eligible for SNAP if they work at least 20 hours per week. If able-bodied adults do not work 20 hours per week, they are only eligible for SNAP for 3 months of a 36-month period. SNAP recipients live at or below 130 percent of the poverty line or \$31,590 for a family of four.

<sup>1</sup> Dean, Stacy. “President’s Budget Would Shift Substantial Costs to States and Cut Food Assistance for Millions.” Center for Budget and Policy Priorities, May 23, 2017. <http://www.cbpp.org/research/food-assistance/presidents-budget-would-shift-substantial-costs-to-states-and-cut-food>.

<sup>2</sup> “Major Savings and Reforms BUDGET OF THE U. S. GOVERNMENT Fiscal Year 2018.” Office of Management and Budget, May 23, 2017. <https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/budget/fy2018/msar.pdf>

<sup>3</sup> “Chart Book: SNAP Helps Struggling Families Put Food on the Table,” Center on Budget and Policy Priorities, March 2017 <http://www.cbpp.org/research/food-assistance/chart-book-snap-helps-struggling-families-put-food-on-the-table>.

<sup>4</sup> Dean, Stacy. “President’s Budget Would Shift Substantial Costs to States and Cut Food Assistance for Millions.” Center for Budget and Policy Priorities, May 23, 2017. <http://www.cbpp.org/research/food-assistance/presidents-budget-would-shift-substantial-costs-to-states-and-cut-food>.

<sup>5</sup> Coleman-Jensen, Alisha, Matthew P. Rabbitt, Christian A. Gregory, and Anita Singh. “Household Food Security in the United States in 2015.” United States Department of Agriculture, September 2016. <https://www.ers.usda.gov/webdocs/publications/79761/err-215.pdf?v=42636>.

<sup>6</sup> “Chart Book: SNAP Helps Struggling Families Put Food on the Table,” Center on Budget and Policy Priorities, March 2017 <http://www.cbpp.org/research/food-assistance/chart-book-snap-helps-struggling-families-put-food-on-the-table>.

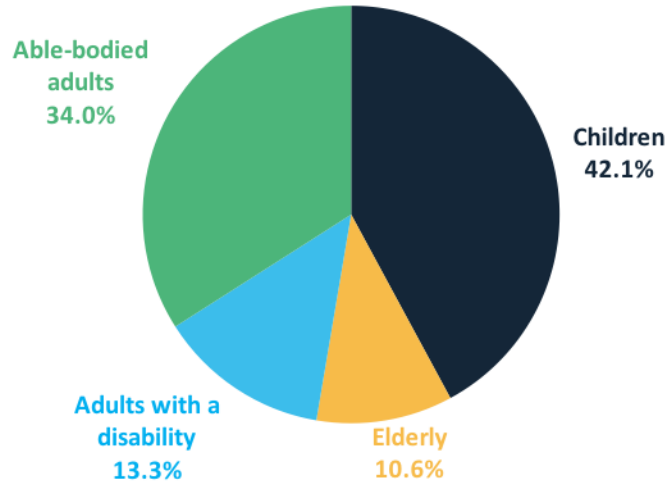
<sup>7</sup> “Public Assistance Monthly Statistics Report.” Ohio Department of Job and Family Services, April 2017. <http://jfs.ohio.gov/pams/PAMS-April-2017.stm>.

<sup>8</sup> “Public Assistance Monthly Statistics Report.” Ohio Department of Job and Family Services, April 2016. <http://jfs.ohio.gov/pams/Reports/PAMS2016-04.stm>.

<sup>9</sup> “Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2015,” U.S. Department of Agriculture <https://www.fns.usda.gov/sites/default/files/ops/Characteristics2015.pdf>

Figure 1

Ohio SNAP recipients by group



Source: Source: Policy Matters Ohio based on United States Department of Agriculture, "Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2015"

# SNAP supports people and the economy

## Ohio will pay more for SNAP

The draconian changes and \$193 billion cut in SNAP funding over 10 years will take food from Ohio's most vulnerable. Fiscally, the Trump budget would additionally burden Ohio's already tight budget. The budget shifts 25 percent of SNAP costs to states. Initially, states would be responsible for 10 percent of costs in 2020 and then 25 percent by 2023. The shift to states would cost Ohio \$599 million in 2020. Over 10 years, Trump's plan will cost Ohio \$4.7 billion.<sup>9</sup>

## Benefit cuts

Food insecure people would be harmed dramatically by the budget proposals. Currently, SNAP benefits levels are based on the cost of a very basic healthy diet. Benefits on average provide only \$1.40 per meal per person.<sup>10</sup> With the shift of 25 percent of SNAP cost to states, the U.S. Department of Agriculture would allow states to reduce monthly benefit levels as a cost-savings measure. Not only will this harm existing participants, but SNAP would be less responsive to increasing of food insecurity during economic downturns because states would need to allocate more funding when their budgets are tight.

## Require time-limits for all unemployed individuals in high-unemployment areas

Current federal SNAP law limits benefits to three months out of a 36-month period for childless, non-elderly, able-bodied adults who work less than 20 hours per week. The Kasich Administration has scrutinized county performance in enforcing time limits. If time limits are not enforced, penalties for noncompliance accrue to the counties. The state does not help counties pay for penalties, so many counties rigidly enforce time limits.

A provision in the law allows states to issue a waiver to this group of adults if they live in a city or area with high unemployment. The Kasich Administration has shown preferential treatment for rural counties over urban counties in requesting such waivers. Ohio sought the waiver for only 16 rural counties from October 2016 to September 2017.<sup>11</sup> Cities with sluggish economies including Cleveland, Maple Heights, Warren, Youngstown, Zanesville and Lorain, also qualify, but the state has not requested a waiver for these sub-county areas.<sup>1213</sup>

The Trump budget would restrict waivers to areas with at least 10 percent unemployment. While the 16 counties with the current time limit waiver have a history of high unemployment, none have a current unemployment rate of 10 percent.<sup>14</sup> They would lose their waivers.

<sup>9</sup> Dean, Stacy. "President's Budget Would Shift Substantial Costs to States and Cut Food Assistance for Millions." Center for Budget and Policy Priorities, May 23, 2017. <http://www.cbpp.org/research/food-assistance/presidents-budget-would-shift-substantial-costs-to-states-and-cut-food>.

<sup>10</sup> *ibid.*

<sup>11</sup> E-mailed communication from Angela Terez of Ohio Department of Job and Family Services to Wendy Patton, Policy Matters Ohio on April 19, 2016. The 16 counties for which a waiver of time limits were requested for federal fiscal year 2017 (October 1, 2016 - September 30, 2017) included Adams, Clinton, Coshocton, Gallia, Highland, Huron, Jackson, Jefferson, Meigs, Monroe, Morgan, Noble, Ottawa, Perry, Pike and Scioto.

<sup>12</sup> "Labor Surplus Area, Employment & Training Administration (ETA) FFY 2017." U.S. Department of Labor, 2017. <https://www.doleta.gov/programs/lssa.cfm>

<sup>13</sup> These places have had surplus labor conditions for two years and are eligible for a waiver of SNAP time limits. The state has not asked for a waiver for these places, ostensibly because the counties level is the administrative level for service delivery. Vinton County, one of the poorest counties in the state, was also not on the list of counties for which a waiver was requested, again for administrative reasons: they are part of a 3-county administrative unit.

<sup>14</sup> "Ohio Unemployment Rates April 2017 (Not Seasonally Adjusted)." Ohio Department of Job and Family Services, <http://ohiolmi.com/laus/ColorRateMap.pdf>.

### **Cuts to seniors and people with disabilities**

People who receive SNAP are guaranteed a minimum of \$16 per month – even if they qualify for \$15 or less. The Trump budget plan would do away with the \$16 a month minimum. Low-income seniors and people with disabilities in one or two person households are the majority of participants helped by the \$16 per month SNAP floor. In 2015, 77,000 Ohio households and 92,000 individuals received the \$16 minimum SNAP benefit. The cut would total \$13.3 million in Ohio based on 2015 participation rates.<sup>15</sup>

### **Large families get less food aid**

SNAP benefits increase as household size increases. Trump’s proposed budget would cap household benefits to a family size of six. For families under 130 percent poverty with greater than six members, only six family members would be calculated to determine the food aid amount. This would cut food aid for large families.

The massive cuts to SNAP funding will significantly weaken an effective and essential safety net program. SNAP keeps the most vulnerable Ohioans fed and helps local economies.

### **SNAP helps families put food on the table**

SNAP reduces food insecurity and helps recipient buy nutritious food. SNAP recipients must be frugal because benefits on average provide only \$1.40 per meal per person.<sup>16</sup> Participating families report having a varied diet consisting of all food groups. Participants’ diets are similar to other low-income individuals. A longitudinal study found food insecure children whose families received SNAP have greater high school completion rates and lower incidence of obesity, heart disease and stunted growth than food insecure children whose families did not. SNAP can keep families out of poverty and improve long-term health.<sup>17</sup>

### **SNAP is good for the economy**

Households using SNAP spend their monthly benefits quickly at local grocery stores, convenience stores, superstores, and farmers’ markets. In a weak economy, economists estimate that \$1 spent of SNAP benefits expands the economy by \$1.70.<sup>18</sup>

SNAP is an essential program for Ohio’s struggling families. SNAP funding and current program structure are essential for reducing hunger in Ohio. There are fewer hungry families in Ohio because of it. For children, the largest group of recipients, the benefits are great. Local communities and business benefit from SNAP recipient spending, and the program is important for weathering economic downturns. SNAP is effective and efficient. SNAP benefits must be protected to help all families afford nutritious food.

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<sup>15</sup> Dean, Stacy. “President’s Budget Would Shift Substantial Costs to States and Cut Food Assistance for Millions.” Center for Budget and Policy Priorities, May 23, 2017. <http://www.cbpp.org/research/food-assistance/presidents-budget-would-shift-substantial-costs-to-states-and-cut-food>.

<sup>16</sup> Chart Book: SNAP Helps Struggling Families Put Food on the Table,” Center on Budget and Policy Priorities, March 2017, <http://www.cbpp.org/research/food-assistance/chart-book-snap-helps-struggling-families-put-food-on-the-table>.

<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

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