

SNAP to Skills: A pathway to expand education and training resources in Ohio without limiting food assistance

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It can be jarring to learn that in wealthy America, people still skip meals or go hungry because they don't have enough money to buy food. Ohio is tied for [6th in the nation](#) for people in this excruciating position.¹

The food assistance program (once called food stamps, now commonly referred to as SNAP, which stands for supplemental nutrition assistance program) makes a big dent in hunger and poverty. In the most recent annual [data](#) from the federal Food and Nutrition Service, SNAP food benefits reduced the share of Ohio participants living in deep poverty by 10 percentage points and increased the share living above the poverty line by 10 percentage points.² This change means more children, elderly and people with disabilities can afford to eat.

Ohio adults without children and without disabilities have to work at least 20 hours a week or the state cuts off their food assistance. Now the federal government is exploring ways to incorporate training into the mix in the hopes that this would help participants be prepared for the kind of jobs that enable them to get by without needing any public assistance. That's admittedly a tough bar – seven of Ohio's 10 most common jobs would leave a family of three eligible for food aid.³ Nearly one-third (28.5 percent) of all Ohio jobs are in occupations with a

SNAP to Skills:

Too many Ohioans are hungry and too few jobs pay enough to allow a family to get by without food assistance:

- Nearly one-third (28.5 percent) of all Ohio jobs pay a median wage below poverty for a family of four.
- Ohio is 33rd worst among states for the share of work paying poverty wages.

Given the low-wage economy, working won't necessarily eliminate hunger and the need for food assistance. To help low-income Ohioans the state must address job quality and better target education and training resources to those in need. SNAP to Skills is one pathway to increase training capacity throughout the state.

¹ U.S. Department of Agriculture, State-Level Prevalence of Food Insecurity, three-year averages, ranked, 2013-15, available at <https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-us/key-statistics-graphics.aspx#map>.

² U.S. Department of Agriculture, "Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2015", Table B.13, available at <https://www.fns.usda.gov/sites/default/files/ops/Characteristics2015.pdf>.

³ Bureau of Labor Statistics, Occupation and Employment Statistics, May 2015, available at <https://www.bls.gov/oes/tables.htm>, accessed February 24, 2017.

median annual wage below the poverty level for a family of four.⁴ More than 70 percent are in occupations with a median wage at or less than 200 percent of poverty. Ohio is 33rd among states for the share of poverty wage work. But adding meaningful training could be a great benefit for Ohio's working families.

Working poor: Too many jobs pay too little.			
Largest occupations in Ohio, by employment, wage and wage as share of poverty.			
Occupation	Employment	Median annual wage	As share of poverty level
Food Preparation and Serving Workers, Including Fast Food*	170,620	\$18,600	93%
Retail Salespersons*	162,130	\$20,640	103%
Registered Nurses	126,270	\$61,280	305%
Cashiers*	118,300	\$18,990	95%
Laborers and Freight, Stock, and Material Movers, hand*	103,990	\$24,370	121%
Office Clerks, General	95,280	\$28,590	142%
Waiters and Waitresses*	91,640	\$18,660	93%
Janitors and Cleaners, Except Maids and Housekeeping Cleaners*	85,300	\$22,310	111%
Customer Service Representatives	85,050	\$30,510	152%
Stock Clerks and Order Fillers*	80,000	\$23,410	117%

Source: Bureau of Labor Statistics, Occupation and Employment Statistics, May 2015, at <https://www.bls.gov/oes/tables.htm>, accessed February 24, 2017. Detailed occupation by largest number employed. Calculation of median annual income as a share of the poverty rate by author. Median annual income based on 2080 hours (full-time, year-round). Poverty rate based on 2015 HHS guideline for family of three, \$20,090. *Seven of the largest occupations pay a median wage less than 130 percent of poverty, the gross monthly income threshold for food assistance.

SNAP Employment & Training (SNAP E&T) is a program and funding source for states to provide assistance and training for eligible SNAP recipients to gain skills, training, work or experience. E&T has the potential to support economic mobility - ultimately reduce families' need for SNAP by increasing their employment and income. To be effective, these programs should focus on building skills and overcoming employment barriers through education and training. Otherwise, participants are highly unlikely to secure stable employment that pays enough to raise them out of poverty.

Working people in Ohio have made gains in education and credential attainment. Yet, more than 666,000 working aged Ohioans do not have a high school diploma.⁵ That is slightly more than 9 percent of people aged 18 to 64, making Ohio 19th in the nation. However, those who receive food aid are much more likely to lack this credential. A [study](#) of the mandatory E&T

⁴ Working Poor Families Project, Population Reference Bureau analysis of May 2015 Occupational Employment Statistics, BLS (<http://www.bls.gov/oes/tables.htm>). Poverty threshold for family of four: \$24,036, 200 percent of poverty equals \$48,072.

⁵ Working Poor Families Project, Population Reference Bureau, analysis of 2015 American Community Survey.

population in Franklin Co. found that 30.8 percent of the participants did not have a high school or equivalency diploma. Only 27.4 percent attended college and a very small minority (10.8 percent) completed their degree. The need for education is compounded by other barriers to employment. More than 35 percent had a felony conviction and 12.8 percent were on probation or parole, which made them ineligible for legal aid services like record sealing. Even with these obstacles to work, the majority in the study reported having work experience. The most common occupations were in industries with high shares of contingent, part-time, temporary and low-paying jobs: warehouse work, customer service, fast-food, cooking and food prep, janitorial work and construction. These participants will gain traction in our challenging job market only if they can be part of a targeted program to address employment barriers, such as limited literacy, lack of a diploma, and criminal records. To be effective, this programming needs sufficient state funding to support education, training and the supportive services. With these resources, participants would be much more likely to secure stable employment that would allow them to live without needing public assistance.

In response to this challenge, Ohio's SNAP E&T program has largely focused on the Work Experience Program (WEP). The 2017 SNAP state plan suggests the vast majority of participants (35,059) will meet their requirements at WEP assignments. WEP places participants at work sites to "learn through work experience". These assignments are intended to expose participants to work environments where participants can "work-off" their food assistance benefit. In practice, these assignments offer little that might actually move participants out of poverty or decrease their need for food assistance. Possible WEP work includes janitorial duties, grounds maintenance, office work, or warehouse packing—the kinds of work experience many already reported having in the program. The WEP model in the Franklin County study did include monthly clinics to help participants improve employability, but [an earlier study](#) found that securing WEP partners willing to host a placement was a challenge. Only 0.64 percent of the nearly 20,000 organizations contacted were willing to host WEP placements.

The lack of meaningful barrier reduction and education assistance makes Ohio's food assistance time limits particularly pernicious. Broadly, able-bodied adults without dependents (ABAWDs) who are not working, participating and complying with the SNAP E&T work program for 20 hours or more each week are limited to three months of food assistance every three years. The programming available to many of these participants does little to address the underlying employability barriers. Given budget constraints many counties just do not have the resources in funding or staff to do more.

Recognizing this need, the Federal Food and Nutrition Service (FNS) has created the [SNAP to Skills](#) initiative. Among other suggestions to improve SNAP employment and training services, the program highlights how states can use federal 50 percent reimbursement grants ("50-50 funds") to supplement state or third party partner money spent helping SNAP recipients engage in education and training. These funds can reimburse the state, county, and/or other third party providers on administrative expenses, tuition and fees, case management, career guidance, and job development spent on SNAP recipients. The [50-50 funds](#) can also reimburse some

participant expenses that other forms of federal SNAP funding cannot: transportation, dependent care, equipment, books, uniforms, or licensing fees. This form of funding is also unique because, there is no cap on the annual federal reimbursements.

Ohio has not yet taken full advantage of this. The state plan anticipates that only 16,400 SNAP recipients will participate in education and training like basic adult education in literacy and numeracy, vocational training, or post-secondary school. Pilot projects based on third-party partnerships geared toward drawing down the available federal 50-50 reimbursement are emerging in Cuyahoga, Franklin and Hamilton Counties. But so far, there has been little state guidance on how other counties and partners can develop similar plans, or on how counties, post-secondary schools, and community-based organizations offering training and education to SNAP recipients can identify spending that might qualify for reimbursement.

Other states already have robust programs. Washington State used 50-50 reimbursement funds to build an extensive network of employment and training for SNAP recipients. The state used third-party match agreements where community colleges and community-based organizations provided education, training and other services that reduced barriers to employment. These partners were reimbursed for part of their spending by 50-50 funds. This reimbursement vastly expanded service capacity. This program, the Basic Food Employment and Training ([BFET](#)) program, serves 28,000 individuals a year, involves the state's entire community and technical college network, 30 community partners, and has an annual budget of more than \$30 million. BFET programming includes supports to community college students in non-transfer, career and technical programs, Basic Adult Education, and GED and ESL classes. Community-based organizations help supplement the training by providing supportive services, as well as college and career counseling. Washington State found that students who are co-enrolled have better persistence, completion, and employment outcomes than peers who are not.

SNAP E&T programs can be great tools in helping Ohioans build work-relevant skills and reduce employment barriers. These programs, however also can leave participants worse off, if they are mandated to participate in a way that threatens food assistance. High-performing programs, like BFET, are voluntary. Washington exempted all SNAP recipients from all E&T programs and operates its program on an all-volunteer basis. That state has found that this change allows the program partners to avoid the administrative burden of tracking and reporting hours and managing compliance. Instead these partners can focus on helping students gain the skills necessary for better-paying jobs and meeting employer workforce needs. Washington found that an all-voluntary program was key to bringing in a diversity of partners to provide services. BFET didn't have the administrative burdens that are obstacles to training and education in other programs like TANF. Decreasing the administrative burden on partners should be a priority for Ohio, given the known difficulty in securing WEP sites.

Further, going voluntary also allowed the program to focus on those recipients who were truly able to benefit. In the Franklin County WEP study a third of the participants had a physical or mental health limitation, even though they were originally assessed as able-bodied. Poor assessments and mismatched placements happen. Knocking people off food assistance, may

please some who feel people are taking advantage of the system, but the reality is that denying people food before they have skills to work only exacerbates poverty and ensures that there is no return on the state's investment.

Recommendations

Ohio can do much more to encourage participation in the SNAP 50-50 reimbursement program, and to help food assistance recipients advance in a career. In contrast to Washington, Ohio anticipates serving just 16,400 in education and training programs this year, while more than 116,500 SNAP recipients are projected to be able-bodied adults without dependents who, without intervention and skill advancement, may lose access to food assistance without gaining marketable skills—an outcome that seems perfectly designed to keep people poor and desperate.

We have world-class training resources in community colleges. We also have many high performing community-based organizations delivering services that help people reduce employment barriers and make career advancements. Many of these organizations are already providing services to SNAP-eligible students and with guidance they may be able to participate in the SNAP 50-50 reimbursement program. Depending on who is being served and the source of the funds, some of the new programs announced in the Governor's budget (Finish for your Future, OhioCARES, and the Accelerated Completion of Technical Studies) may also be eligible for 50-50 reimbursement.

Food and Nutrition Services and the Seattle Jobs Initiative are providing states with technical advice and assistance on developing SNAP to Skills programs. Ohio should explore these new opportunities and pursue policy change with real returns for Ohio. Here are three ways state policymakers can ensure Ohio doesn't leave out participants or leave training money on the table:

- 1) Require the Ohio Department of Job and Family Services in collaboration with the Ohio Department of Higher Education to convene a skills-based SNAP E&T planning committee to develop a plan for expansion of skills-based SNAP E&T. The committee should include representatives of community colleges, local workforce development boards, and non-profit organizations that provide employment and training services for low-income individuals.
- 2) The planning committee should work to identify workforce development, adult basic education, higher education programs and resources that could provide education, training, and support services for SNAP E&T participants, establish guidance and procedures for service partners to participate in the federal SNAP 50-50 reimbursement program, and ensure the program is voluntary for recipients.
- 3) Create a state fund to spur development of SNAP 50-50 eligible training initiatives. The fund could encourage development of local partnerships (counties, community colleges, workforce development community based-organizations) to provide education, training, and wrap-around services such as child care support, transportation assistance, career and college coaching to SNAP eligible trainees.

The fund could be created using state dollars, eligible for 50-50 reimbursement and focus on education and training initiatives built around shorter-term credential programs that are in-demand with regional employers and often not eligible for federal or state student financial aid. Such a fund would help SNAP recipients connect to and complete a post-secondary credential, while increasing workforce training capacity at our 2-year public institutions. As the spending is eligible for 50-50 reimbursement it could also help existing programs engaged in this work build capacity.

One potential funding source for a SNAP 50-50 pilot program is the Ohio College Opportunity Grant. The grant is the state's only source of need-based financial aid. It remains underfunded since the program was cut to balance the state budget during the recession, but it is also poorly targeted. OCOG only covers tuition and fees and it is a "last-dollar" grant, meaning other forms of aid, such as Pell, are applied to the tuition and fee costs first. These rules work against targeting aid to the neediest students. For example, community college students, who are more likely to be adults enrolled in workforce directed programs and have lower incomes, are largely excluded from OCOG eligibility, even though they may have unmet need. Financial aid is also relatively limited for students in short term, credential programs, regardless of institution sector. A SNAP focused program could help address many of these gaps.

Redirecting some OCOG spending could help better align the grant with the state's workforce development needs and free up resources to support a SNAP E+T fund. For example, in 2016, Ohio spent about [\\$1 million in OCOG](#) at ITT Tech institutions. ITT Tech was a proprietary school, which [closed](#) after lawsuits claimed that the company misled students about placement rates, pressured students into predatory private loans, and had two top executives accused of fraud by the Securities and Exchange Commission. The state could redirect this funding to a SNAP E+T fund to spur high-quality training for needy Ohioans.

Ohio is prioritizing job search and work requirements across all public assistance programs, but is doing so in a way likely to lead to increasing sanctions and poorer outcomes for families and also for the state. Far too many jobs in the state pay so little that a typical worker, working full-time, year-round in many of the most common occupations, is not likely to earn enough to be food secure. The state must recognize that success in these efforts depends on two factors: whether these programs are voluntary or mandatory and whether the state is committed to developing and sustaining funding. Model programs from across the nation make it clear that voluntary programs have better returns for *all* stakeholders. Punitive programs may elicit some pleasure from those focused on short-term declines in assistance numbers, but for those seeking the long-term economic security of Ohio's people and a decrease in assistance programs due to an actual decrease in need; participation in education and training programs must not threaten access to food. Ohio should commit to fully implement SNAP E&T 50-50 efforts; perhaps in every Ohio community/technical college. To do this requires not only the policy will or commitment, but resources to help develop the program effort locally.

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