

Lawmakers should reject SNAP cuts in SSB 1267

SNAP, called Food Assistance in Iowa, helps people get back on their feet after tough times. A section of the Health and Human Services budget bill — Division XIII of SSB 1267 — would make significant changes to SNAP eligibility and require DHS to implement a complex real-time eligibility verification system for Iowans enrolled in assistance programs. Maintaining program integrity is a shared goal: advocates want every dollar to go to families who need the help.

But the verification component of SSB 1267 is not a common-sense approach. The bill would increase administrative costs and red tape and make it harder for Iowans to put food on the table and support their families.

The full HHS budget bill includes elements worth supporting, but the harm caused by Division XIII overshadows them. Lawmakers should strip out Division XIII, or if that fails, reject the entire bill.

The bill would increase administrative costs and red tape and make it harder for Iowans to put food on the table and support their families.

Division XIII is an expensive, harmful approach that would:

▶ cut eligible Iowans off food assistance

An estimated 1 of 6 current Iowa SNAP recipients — including eligible recipients — would lose benefits. Here's just one example of how: Families would get only 10 days to respond to written notice of discrepancies flagged by the new system. Given delivery problems with U.S. Postal Service and housing instability due to the pandemic, that's a wildly unrealistic window. It would especially hurt people who need time to get help translating documents into their primary language, including many recent refugees.

Eligible families losing benefits because of paperwork hiccups is an established pattern. Analysis of SNAP enrollment patterns in California over 15 years found that, because of re-enrollment paperwork requirements, for every one ineligible household screened out of the program, three eligible households also left.

▶ increase hunger among families and workers

More than 69 percent of SNAP participants in Iowa are in households with children. In a late 2020 Census survey, about **1 in 6 of all Iowa households with children reported they had sometimes or often not had enough food to eat the previous week.** Research shows adults who received food stamps as young children are more likely to graduate from high school and less likely to suffer long-term health problems like obesity and heart disease. Cutting SNAP will only increase suffering as we work our way out of the pandemic.

▶ hurt local economies

Because most households redeem their SNAP benefits quickly in local stores, **SNAP is one of the most effective forms of economic stimulus, with almost no administrative overhead.** SNAP is particularly important for workers in sectors that have not bounced back from the pandemic, like dining and hospitality. Faced with low wages and unpredictable hours, workers in these sectors frequently relied on SNAP even before COVID. Cutting SNAP will slow economic recovery and make it harder for workers to bounce back.

▶ run counter to the principle of good stewardship of taxpayer dollars

SSB 1267 would impede existing efforts to make eligibility checks more accurate and efficient. The federal government is already requiring states to join a database by the end of this year that would improve eligibility checks, **and the state wouldn't have to pay for it.**

▶ cost the state money to bring in less federal money

Iowa shares the costs of administering SNAP with the federal government, so it would share in the cost of the new requirements and systems. **But dollars that cover SNAP benefits themselves are entirely federally funded.** By cutting off eligible people, Iowa would assure that fewer federal dollars come into our state. Pennsylvania officials found in 2015 that reintroducing the SNAP asset test — just one element of SSB 1267 — cost about \$3.5 million to administer before they repealed the test the same year.

By cutting eligible people off SNAP, Iowa would assure that fewer federal dollars come into our state.

▶ give outside vendors incentives to find as many discrepancies as possible

The bill requires that annual savings from working with any outside vendor to administer the system — savings accrued by kicking people off programs — must exceed the total yearly cost of the contract. That means the vendor has a vested interest in including even the smallest difference to make sure it gets paid.

This bill takes the exact wrong approach. Instead of enacting punitive barriers that take services away from Iowans as they try to recover from the pandemic, we should simplify application and re-enrollment processes, making it easier for eligible families to stabilize their finances and look toward a brighter future.