

## **Senate Budget Reduces Access to Nutrition Assistance for Children and Families**

### *Eliminating Expanded Categorical Eligibility Reduces Food Security and Program Efficiency*

Proper nutrition is essential for children's current and future success. Children who receive adequate nutrition in their earliest years--beginning during the prenatal period--have the best chance to obtain essential nutrients that promote cognitive and motor development. Inadequate nutrition during childhood can lead to a lifetime of learning and developmental challenges, including lower academic performance, emotional problems, and poor health.

The Supplemental Nutrition Assistance Program (SNAP--also called *Food and Nutrition Services* in North Carolina) is one of the state's most powerful anti-hunger programs. SNAP provides critical nutrition assistance to low-income individuals, children, and families, including: pregnant women, workers, seniors, people with disabilities, and children in and aging out of foster care. More than one in five children in North Carolina (22.6 percent) lives in food insecure households--the 11th highest rate in the nation.<sup>1</sup> SNAP enables more than 1.6 million low-income North Carolinians, 43 percent of whom are children, to stretch tight food budgets and meet their basic nutritional needs.<sup>2</sup>

The Senate budget (SB 257) includes a provision that would restrict pathways to SNAP eligibility for children and families and unnecessarily increase the program's administrative burden. **If enacted, this change would result in the loss of SNAP assistance for 133,000 North Carolinians—including more than 51,000 children.**<sup>3</sup>

#### How SNAP Works

Low-income households qualify for SNAP through two basic pathways:

1. *Income eligibility* which applies to households that earn less than 130 percent of the federal poverty level and have fewer than \$2,250 in countable resources (\$3,250 if at least one householder is a senior or a person with a disability)<sup>4</sup>; or
2. *Expanded categorical eligibility* which applies to households that earn between 130 and 200 percent of the federal poverty level that currently receive cash assistance like disability payments (SSI), or TANF funded non-cash benefits like childcare or job referrals. Expanded categorical eligibility is not subject to a resource test.<sup>5</sup>

The Senate budget eliminates expanded categorical eligibility for SNAP assistance, restricting program access to families who earn less than \$26,208 for a family of three with limited assets. *Low-income children and families who lose categorical eligibility would not qualify for SNAP benefits through current income guidelines, leaving their households without nutrition assistance.*

Eliminating expanded categorical eligibility in North Carolina would:

#### **> Undermine child health and education.**

- Because SNAP eligibility is a qualifying condition for some students' free and reduced priced lunch, eliminating categorical eligibility would cause children to lose access to school meals. Studies show nutrition assistance programs like SNAP and school meals improve student attendance, behavior, and academic performance.<sup>6,7</sup>

- Studies also show children in families receiving SNAP benefits are more likely to be in good health than low-income children who are eligible for, but do not receive nutrition assistance.<sup>8</sup>

**> Produce no fiscal benefit for the state.**

- The federal government pays the full cost of SNAP assistance and splits the cost of administering the program with the state. As a result, enacting additional restrictions to SNAP eligibility would not generate additional cost-savings for the state.

**> Disproportionately affect children, seniors, and people with disabilities.**

- Of the 60,135 households who stand to lose SNAP benefits through the elimination of categorical eligibility, 36 percent are households with children under age 19, 28 percent are households with seniors, and 23 percent are households with people with a disability.<sup>9</sup>

**> Reduce program efficiency.**

- Categorical eligibility reduces the amount of time the state must dedicate to verifying household resources for SNAP by streamlining the eligibility process. Households who have already completed rigorous financial eligibility determinations in another low-income program are not required to go through another eligibility determination for SNAP.

**> Decrease family and community economic security.**

- Categorical eligibility serves low-income households earning between 130 and 200 percent of the federal poverty line. More than half of all household who receive SNAP through categorical eligibility have incomes between 130 and 149 percent of the federal poverty line, or annual incomes less than \$30,630 for a family of three.<sup>10</sup>
- SNAP also supports struggling local economies—every dollar in federally funded SNAP benefits generates \$1.70 in local economic activity. The Congressional Budget Office has found that SNAP generates the one largest returns in economic activity per dollar invested among a broad range of federal programs.<sup>11</sup>

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  3. Special data request from N.C. Department of Health and Human Services. May 2017.
  4. N.C. Department of Health and Human Services. Food and Nutrition Services (Food Stamps). Accessed on May 17, 2016. Available online at: <https://www.ncdhhs.gov/assistance/low-income-services/food-nutrition-services-food-stamps>.
  5. Ibid.
  6. Wilder Research (2014). Nutrition and Students' Academic Performance. Available online at: <http://www.wilder.org/Wilder-Research/Publications/Studies/Fueling%20Academic%20Performance%20-%20Strategies%20to%20Foster%20Healthy%20Eating%20Among%20Students/Nutrition%20and%20Students'%20Academic%20Performance.pdf>.
  7. CBPP article (2016). SNAP Works for America's Children. Available online at: <http://www.cbpp.org/research/food-assistance/snap-works-for-america-children>.
  8. Children's Health Watch. Boost to SNAP Benefits Protected Children's Health. Available online at: [http://childrenshealthwatch.org/wp-content/uploads/SNAPincrease\\_brief\\_October2011.pdf](http://childrenshealthwatch.org/wp-content/uploads/SNAPincrease_brief_October2011.pdf).
  9. Ibid, see note 3.
  10. Ibid, see note 3.
  11. Center on Budget and Policy Priorities. Policy Basics: Introduction to the Supplemental Nutrition Assistance Program (SNAP). Available online at: <http://www.cbpp.org/research/policy-basics-introduction-to-the-supplemental-nutrition-assistance-program-snap>.

Table 1 County Impact of Senate Elimination of Categorical Eligibility

	#Households	#Individuals	# Children <19			#Households	#Individuals	# Children <19
<b>NC</b>	<b>60,192</b>	<b>132,902</b>	<b>51,236</b>		<b>NC</b>	<b>60,192</b>	<b>132,902</b>	<b>51,236</b>
Alamance	907	2,010	833		Johnston	1,309	3,097	1,274
Alexander	192	417	134		Jones	99	191	51
Alleghany	52	123	37		Lee	499	1,233	502
Anson	261	453	139		Lenoir	415	868	312
Ashe	157	340	97		Lincoln	383	800	280
Avery	83	187	59		Macon	232	517	164
Beaufort	347	677	197		Madison	114	227	68
Bertie	205	331	74		Martin	190	373	114
Bladen	271	581	197		McDowell	339	699	228
Brunswick	651	1,354	451		Mecklenburg	6,467	15,674	7,003
Buncombe	1,581	3,141	1,096		Mitchell	95	177	33
Burke	479	1,042	353		Montgomery	181	455	190
Cabarrus	1,130	2,887	1,311		Moore	375	831	299
Caldwell	523	1,086	334		Nash	598	1,280	505
Camden	32	61	18		New Hanover	1,278	2,638	966
Carteret	380	792	248		Northampton	189	319	81
Caswell	167	277	60		Onslow	884	1,906	697
Catawba	1,060	2,334	906		Orange	550	1,207	482
Chatham	330	884	385		Pamlico	88	165	46
Cherokee	177	325	63		Pasquotank	323	662	231
Chowan	121	206	54		Pender	332	746	259
Clay	60	129	36		Perquimans	99	177	45
Cleveland	739	1,397	419		Person	296	524	144
Columbus	317	670	222		Pitt	1,235	2,427	840
Craven	571	1,165	393		Polk	97	196	53
Cumberland	2,146	4,330	1,635		Randolph	876	2,066	812
Currituck	89	203	74		Richmond	413	811	250
Dare	157	361	136		Robeson	959	2,144	771
Davidson	1,020	2,246	810		Rockingham	605	1,153	346
Davie	219	523	207		Rowan	851	1,830	634
Duplin	355	1,034	456		Rutherford	437	840	241
Durham	1,914	4,608	2,062		Sampson	524	1,334	542
Edgecombe	431	787	221		Scotland	236	379	99
Forsyth	2,321	5,307	2,239		Stanly	341	679	214
Franklin	412	920	338		Stokes	210	405	114
Gaston	1,344	2,840	1,060		Surry	531	1,135	363
Gates	69	130	34		Swain	63	134	47
Graham	39	78	22		Transylvania	182	357	111
Granville	360	745	278		Tyrrell	33	63	20
Greene	141	351	136		Union	946	2,518	1,149
Guilford	3,566	7,599	3,033		Vance	451	885	301
Halifax	551	933	246		Wake	4,192	10,297	4,617
Harnett	710	1,611	628		Warren	169	305	86
Haywood	370	750	238		Washington	85	151	42
Henderson	570	1,266	484		Watauga	135	300	106
Hertford	206	348	86		Wayne	896	1,993	785
Hoke	358	855	350		Wilkes	463	1,044	345
Hyde	34	59	19		Wilson	711	1,534	573
Iredell	505	1,187	471		Yadkin	211	539	207
Jackson	200	406	126		Yancey	125	271	89