HEARTLAND ALLIANCE
ENDING POVERTY

December 2, 2019

Certification Policy Branch,
Program Development Division
Food and Nutrition Services
3101 Park Center Drive
U.S. Department of Agriculture
Alexandria, VA 22302

Re: Notice of Proposed Rule Making Regarding Supplemental Nutrition Assistance Program (SNAP) Standardization of State Heating and Cooling Standard Utility Allowances -- RIN 0584-AE69

Submitted via Regulations.gov

Dear SNAP Certification Policy Branch:

On behalf of Heartland Alliance, we appreciate the opportunity to comment on USDA's Notice of Proposed Rule regarding Supplemental Assistance Nutrition Program (SNAP) Standardization of State Heating and Cooling Standard Utility Allowances.

The proposed rule would exacerbate the struggles many of people experiencing poverty and with low incomes have paying for costs of both food and utilities. It would have harmful impacts on health and well-being as well as on the economy. The proposed rule is deeply flawed and should be withdrawn.

Headquartered in Chicago and serving over 100 communities nationwide, Heartland Alliance sees the difference the SNAP program makes in the lives of our participants every day—especially in Illinois. Heartland Alliance is grounded in over 130 years of experience providing housing, healthcare, jobs, and justice to individuals living in poverty and extreme poverty. As a result, we have a unique understanding of the program, policy, and systems-level barriers that can prevent people living in poverty from getting ahead.

Heartland Alliance's Research & Policy Division leverages this experience in combination with cutting-edge research to identify and advance proven solutions to poverty. Within this division, our Policy and Advocacy Team plays a strong state-level leadership role in advancing anti-poverty work by developing and advancing innovative policy proposals, building strategic alliances, and pursuing legislative and budgetary action. Also within this division, our National Initiatives (NI) on Poverty & Economic Opportunity Team is dedicated to ending chronic unemployment and poverty. Through field building work across the country, NI provides support and guidance that fosters more effective and sustainable employment efforts. NI's federal policy and advocacy work advances solutions to the systemic issues that drive chronic unemployment.

Heartland Alliance is deeply concerned by the Administration's attempts to restrict access to food and nutrition assistance for low-income individuals. SNAP is the country's most important anti-hunger program: it helps people who have lost their job or are experiencing extreme hardship put food on the table. In Fiscal Year 2018, SNAP helped put food on the table for over 39 million people across the country[1], and in Illinois over 1.79 million people receive food assistance through SNAP.[2] **The primary purpose and intent of the SNAP program is to ensure that people in the United States do not go hungry. The Administration's proposed rule runs counter to SNAP's purpose. According to the Department's own estimates, the proposed rule would cut SNAP benefits by $4.5 billion over five years.**

SNAP's statutory purpose, as declared by Congress, is "to promote the general welfare, to safeguard the health and well-being of the Nation's population by raising levels of nutrition among low-income households. Congress finds that the limited food purchasing power of low-income households contributes to hunger and malnutrition among members of such households. Congress further finds that increased utilization of food in establishing and maintaining adequate national levels of nutrition will promote the distribution in a beneficial manner of the Nation's agricultural abundance and will strengthen the Nation's agricultural economy, as well as result in more orderly marketing and distribution of foods. To alleviate such hunger and malnutrition, a supplemental nutrition assistance program is herein authorized which will permit low-income households to obtain a more nutritious diet through normal channels of trade by increasing food purchasing power for all eligible households who apply for participation."[3]

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[1]U.S. Department of Agriculture, Food and Nutrition Service. (2019, November). *Supplemental Nutrition Assistance Program (SNAP) persons, households, benefits, and average monthly benefit per person & household* [Table]. Retrieved from https://fns-prod.azureedge.net/sites/default/files/resource-files/Characteristics2018.pdf?mc_cid=676d4d7fde&mc_eid=d1b88df45e

[2] U.S. Department of Agriculture, Food and Nutrition Service. (2019, November). *Supplemental Nutrition Assistance Program (SNAP) persons, households, benefits, and average monthly benefit per person & household* [Table]. Retrieved from https://fns-prod.azureedge.net/sites/default/files/resource-files/Characteristics2018.pdf?mc_cid=676d4d7fde&mc_eid=d1b88df45e

[3] 7 U.S.C. section 2011.

The proposed rule will also negatively impact local economies. It is estimated that every $1 of SNAP benefits produces between $1.50 and $1.80 in total economic activity. The vast majority of SNAP benefits are spent locally and corner stores, farmer's markets and grocery stores. In this way, SUA proposed cuts could severely limit the purchasing power and access to food for households with low-incomes, increasing food insecurity and resulting in losses for local food retailers and communities.

Policymakers recognize that household resources needed to pay for basics such as shelter, utility costs and childcare are not available to purchase food. Under current law, SNAP takes into account the utility expenses of each SNAP household. States adjust household benefits based on a state-specific Standard Utility Allowance (SUA) calculated by the state and approved by USDA. The current policy allows variances in SUAs to accommodate for differences in utility costs and rates, and allows states flexibility in how they calculate those costs.

The proposed rule would standardize and cap SUA calculations across the country based on survey data. The proposed rule does not adequately explain USDA's rationale for capping the largest of the SUA components by calibrating to utility expense survey data for those no higher than the 80th percentile of low-income people and then capping other SUA components as well. The proposed rule merely asserts that it calculated calibrating to the 50th percentile compared to the 80th percentile. The proposed rule does not adequately explain whether USDA analyzed impacts calibrated to the 85th or higher percentiles and what the results of those estimates were. The lack of such explanation is particularly concerning given research documenting that 21 states had SUAs exceeding the 85th percentile estimates.

The Administration concedes that the proposed rule would cause 19 percent of SNAP households to get lower SNAP monthly benefits, would disproportionately impact elderly people and people with disabilities, and would cause a national net cut to SNAP benefits amounting to $4.5 billion over five years. Of particular concern to Heartland Alliance is that communities of color often bear the brunt of higher utility costs which means this proposed rule is likely to have a disproportionately negative impact on these individuals and communities.

This USDA rulemaking is yet another attempt for the Administration to side step Congress and make cuts to SNAP benefits. Congress reviewed SNAP policy during the 2018 Farm Bill, including the fact that states have options that may produce differences in SNAP eligibility benefit amounts from state to state. Although the President's FY 2019 Budget included a request for a change similar to the proposed rule. Congress did not include such a change in the 2018 Farm Bill. Indeed, evening out benefit amounts across states by lowering benefits for large numbers of participants does not promote SNAP's statutory purpose, but instead undermines its statutory purpose.

As has been made clear throughout these comments, this proposed rule will hurt millions of people with low incomes, their families, and children. This proposed rule represents a completely unnecessary attempt to further destabilize people's lives by taking away their access to food as they work to support their families, save for the future, and exit poverty. USDA should be strengthening the positive impacts of SNAP for health, well-being and economic activity, not making cuts to SNAP benefits. The Administration should dedicate its efforts to supporting policies that end poverty, advance equity, and open doors to economic opportunity for ALL. We urge the Administration to immediately withdraw its current proposal and work with states to improve their SUA's under existing flexibility.

Thank you for the opportunity to submit comments on the proposed rulemaking. Please do not hesitate to contact Kimberly Drew at kdrew@heartlandalliance.org to provide further information.

Sincerely,
Kimberly Drew
Legislative Advocacy Director
Heartland Alliance

Melissa Young
Director
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Heartland Alliance