

September 23, 2019

The Honorable Nancy Potok, Chief Statistician  
Office of Management and Budget  
725 17th St. NW  
Washington, DC 20006

RE: Categorical Eligibility (SNAP Cat EI)

Dear Dr. Potok:

We are writing on behalf of RESULTS to comment the opposition with Trump's Administration proposed rule to restrict the Categorical Eligibility (cat-el), which is a longstanding bipartisan policy that helps streamline the administration of social services for states. As an anti-poverty organization, we are deeply concerned about the administration's attempt to eliminate SNAP asset tests and utilize higher test to serve households who tend to have major expenses for child care and shelter. This is a broad overreach of administrative authority and we strongly oppose this proposal, which the U.S. Department of Agriculture (USDA) estimates could mean 3.1 million individuals would lose food assistance.

RESULTS creates the public and political will to end poverty by empowering individuals to exercise their personal and political power for change. We support a network of more than 115 chapters with over 650 active volunteers (and an additional 7,000 members in our e-mail action network) across the U.S. Our grassroots educate members of congress, work with the media, and build awareness within their communities on basic nutrition and health programs along with budget and tax policies. Our grassroots network includes a specific focus on engaging young leaders and elevating the voices of low-income Americans who have firsthand experience of poverty.

As an organization, we are concerned whenever Americans across the country are subject to harmful rule changes that put low-income individuals and their families at risk. The potential to change the Categorical Eligibility causes millions of people to lose access to anti-poverty programs that help families meet their basic needs. There are roughly 43 states and territories using broad based Categorical Eligibility which measures the flexibility to provide critical assistance to those states in need of a hand up to make hands meet.

Most importantly, Categorical Eligibility helps states to better meet the ends of hard-working families by matching gross income qualifications with Temporary Assistance for Needy Families (TANF) and nutrition programs. Several food assistance programs play a significant role in addressing hunger and food insecurity in our country. For 20 years, Categorical Eligibility has been successful. In fact, more than 40 states adopted to make SNAP more responsive to the

needs of households, especially those who are working their way up the economic ladder or saving to invest in the future or avoid a financial crisis.

Here are some of the benefits of having Categorical Eligibility:

- Helps working families by eliminating the “benefit cliff.” SNAP encourages people to work in part by ensuring that its benefits phase down gradually. If the Categorical Eligibility was to be modified, a family can lose substantial SNAP benefits from small increases in earnings that raises its gross income to over 130% of the poverty line, the threshold for SNAP eligibility. Categorical Eligibility lets states lift this threshold, which lets households close to that threshold take higher-paying work and continue to benefit from SNAP. Many in the RESULTS grassroots network, notably our Experts on Poverty with lived experience, have highlighted the “cliff effect” as a barrier to moving up the income ladder – and **changing Categorical Eligibility could make the cliff effect worse.**
- Enables low-income households save for the future. Modest assets enable low-income families avoid debt, weather unexpected financial disruption, and better prepares themselves for retirement. The Categorical Eligibility lets states increase or eliminate asset limits for SNAP, low-income households are likelier to have a bank account of \$500 according to recent Urban Institute study<sup>1</sup>. As an organization deeply committed to ending poverty and creating opportunity, with a focus on understanding the root causes of racial wealth inequality, **RESULTS strongly opposes changes that penalize families for building assets to weather family emergencies.**
- Simplifies SNAP administration. Under the Categorical Eligibility, the complexity of the SNAP application process for states and households would be reduced. This would decrease the “churn” which is when a SNAP household stops participating in SNAP and reapplies within a short period of time. Churn adds work for state workers and creates benefit gaps for SNAP households. **RESULTS opposes changes that make it more challenging for families to access benefits while wasting taxpayer dollars for unnecessary administrative costs.**

The proposal of changing the Categorical Eligibility can impact many American families who rely on assistance programs to sustain their lives. If this action was to be enacted, there could be less individuals benefiting from these programs related to nutrition, healthcare, and food assistance programs. We know that many low-income workers are struggling to make ends meet, and this proposal would penalize also people who use basic needs programs to supplement their earnings from low-wage work.

**The action can drastically impact the lives of low-income families making it harder to sustain themselves and afford food.** Our advocates know – many from lived experience – the

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<sup>1</sup> USDA: <https://www.urban.org/sites/default/files/2000843-asset-limits-snap-participation-and-financial-stability.pdf>

importance of having an effective and measurable requirement to have better access to food assistance programs such as SNAP.

As an organization deeply committed to ending poverty and creating opportunity that recognizes the links between oppression and poverty, **RESULTS is deeply concerned about the impact on the Administration's plan to roll back an important Categorical Eligibility allowing states tailor their SNAP income and asset limits to provide modest help to certain low-income households.** RESULTS believes that enacting rule changes without considering the potential impacts to many households, especially those with low incomes, is damaging to all. The proposal should not be enacted because it would be harming our communities and the nation.

Thank you for the opportunity to submit comments on the proposed rulemaking. Please do not hesitate to contact us to provide further information.

Sincerely,



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