



Docket ID: FNS-2018-0004

April 2, 2019

Administrator Brandon Lipps
Food and Nutrition Service
U.S. Department of Agriculture
3101 Park Center Drive
Alexandria, VA 22302

Re: Supplemental Nutrition Assistance Program: Requirements for Able-Bodies Adults Without Dependents

Dear Administrator Lipps,

The National Association of Counties (NACo) appreciates the opportunity to comment on the U.S. Department of Agriculture's (USDA) Notice of Proposed Rulemaking (NPRM), titled "Supplemental Nutrition Assistance Program: Requirements and Services for Able-Bodied Adults without Dependents," published February 1, 2019. NACo is the only national organization representing America's 3,069 county governments; collectively, counties play a pivotal role in providing our residents with critical health and human services, including nutrition assistance.

One of the many aspects of health and human services that counties address is the nutrition of our residents.

Counties operate healthy eating, school nutrition and senior nutrition programs across the country. In every county, SNAP is an important aspect for healthy eating, especially for areas lacking access to sustainable and fresh food supplies.

Counties in every state are concerned with the nutritional wellness of their constituents, but there are 10 states delegate SNAP administration to county agencies including California, Colorado, Minnesota, New Jersey, New York, North Carolina, North Dakota, Ohio, Virginia and Wisconsin. Although SNAP is primarily a partnership between the federal government and states, counties in these states contribute significant local funds to administrative and supplemental costs of running the program. In fact, in 2016, \$63 billion in SNAP funding was administered by these counties, covering services for 32 percent of all SNAP recipients.

Because of the crucial role that counties play in the SNAP program, we appreciate USDA's goals of providing access to healthy food for residents and helping those on the program obtain and maintain employment. We commend the agency on its outreach to our staff and county officials on the proposal since its publication, and encourage the agency to continue to fully involve state and local government partners throughout the decision-making process.

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However, while we understand the goal of USDA's proposal, counties are concerned the proposed rule may have unintended consequences for our residents and communities. After close consideration and numerous discussions – with local and state organizations, and with local elected officials and county health and human services directors – counties have the following concerns with USDA's proposal as currently constructed:

- Expanding stricter work requirements would place new financial and administrative burdens on counties – a potentially new unfunded mandate for local governments with no additional federal resources.
- Existing carry-over waiver exemptions for ABAWDs are flexible and ensure counties can respond to economic downturns.

Expanding stricter work requirements would place new financial and administrative burdens on counties – potentially resulting in a new unfunded mandate for local governments.

Counties support USDA's goal of helping ABAWD SNAP recipients obtain and maintain employment. However, as USDA considers stricter time limits and work requirements for ABAWDs, counties hope to have the opportunity to discuss how USDA's proposed changes may impact our residents and unintentionally increase administrative costs for counties in county-administered states.

Under the current ABAWD time limit rule, ABAWDs not physically or mentally unfit for working or caring for a minor are eligible for SNAP benefits only if they work at least 20 hours a week. If an ABAWD is not working 20 hours a week for three months during a sustained 36-month period, that individual is no longer eligible for SNAP benefits. However, states have the option to request a waiver for the ABAWD time limit if a given geographic area has an insufficient number of jobs (also known as Labor Surplus Areas, or LSAs), or has an unemployment rate over 10 percent. If the time limit is waived, individuals are not required to meet the ABAWD work requirement to receive SNAP.

Under the proposed rule, the Labor Surplus Areas (LSAs) designation would be eliminated and replaced by a new threshold, which would require eligible areas to have had at least 7 percent unemployment rate for two-years to qualify for an ABAWD waiver. According to USDA estimates, there are currently 775,000 ABAWD recipients that could lose the waivers if the proposal is enacted. Given this possibility, counties are concerned that more stringent time limit and work requirements may create an additional financial burden on county agencies who may see an increase in time spent screening and tracking beneficiaries as they move on and off SNAP.

Additionally, individuals no longer receiving federal benefits may become more dependent on county programs, further straining our nation's county service providers.

Counties are also concerned that the proposal to limit the duration of ABAWD waiver approvals may create even more costs for counties. If the ABAWD waiver duration is reduced from two-years to one-year, states would rely more heavily on counties for information on the number of unemployed residents in their communities. To respond to these requests, counties would have to increase our administrative capacity in the form of personnel or data systems, while receiving no new federal resources.

While this proposal will impact all counties, we are particularly concerned about the potential impacts on rural counties, who face limited flexibility, staff and resources to comply with new, unfunded mandates or reporting requirements.

Nearly all of these changes would have the unintended consequences of shifting costs to counties. This comes at a time when counties are already facing increased demands as well as a growing number of restraints on revenue generation from states. In fact, nearly every state places some type of cap on property taxes, the main source of revenue for counties in most states. Additional financial strain from this proposal could hinder our ability to provide crucial services to our residents and communities.

Finally, to address USDA's concern that too many states continue to apply for state ABAWD waivers despite the nation's declining unemployment rate, counties encourage USDA to consider extending the ABAWD waiver authority to the county level, which would put these decisions in the hands of the local policymakers who best understand the unique workforce needs of our constituents and economies. As [outlined in our comments](#) in response to USDA's Advanced Notice of Proposed Rulemaking (ANPRM) released in February 2018, NACo supports that allowing counties to apply for ABAWD waivers would ensure more effective use of waivers for targeted population centers.

According to the Bureau of Labor Statistics, in 2016, no state had an unemployment rate above 6.7 percent. However, 60 counties had unemployment rates over 10 percent – the qualifying rate at a state level for an ABAWD waiver. In fact, 515 counties in 37 states had unemployment rates above 6.7 percent in 2016. Though the economy is improving, these figures demonstrate unemployment remains a local issue best addressed when federal and state governments partner with county and other municipal governments.

That being said, counties are in the unique position to accurately understand the realities of local economies and job opportunities, and are best suited to determine when a waiver is necessary and can be most beneficial to the community.

Existing carry-over waiver exemptions for ABAWDs are flexible and ensure counties can respond to economic downturns.

Across the country, the strength of local economies and labor supplies can vary widely. Unemployment or underemployment is the most common challenge across our nation's counties. Maintaining a resilient economy with a diversified and competitive business environment is also a significant concern for counties. Already faced with challenges that affect the development of our nation's local economies, counties are most vulnerable when it comes to future economic downturns, and flexibility under specific USDA waiver programs is a key component of supporting our communities and residents.

Under the proposed rule, counties are concerned about our ability to respond to a possible future economic downturn if the carry-over allowance is limited to just one year. Under current law, states can exempt up to 15 percent of their ABAWD population from work each year. If these exemptions are not used, they can be "rolled over" for future years, which has allowed states the flexibility to save exemptions for periods of extreme economic hardship. Under the proposed rule, states ability to use these exemptions would be curtailed, and counties would be limited in assisting our residents during potential economic downturns.

Even as the nation's economy has recovered, general revenue recovery from the recession remains uneven across counties. For example, while counties in the Western region saw the most improvement

through 2013, with 59 percent of the counties bouncing back to pre-recession levels, Southern counties were still reeling from the effect of the recession in 2013, with almost below 2007 levels. Finally, for urban counties, which have populations higher than 500,000 residents, these communities were affected the most, with more than two thirds not yet at pre-recession levels.

Thus, counties remain concerned that the elimination of the ability to carry over ABAWD exemptions, may place counties and our residents in vulnerable positions if confronted by future economic recessions.

Conclusion

SNAP is an important public assistance program offering nutrition support to millions of eligible, low-income individuals and families. Serving as the front-line social safety net, counties operate healthy eating, school nutrition and senior programs across the country. In every county, SNAP is a crucial aspect of healthy eating, especially for areas lacking access to sustainable and fresh food supplies.

In sum, counties are concerned that, if implemented, this proposal would create unintended consequences for local governments as we work to serve our communities. That said, we remain committed to engaging with our federal partners towards a common goal of improving federal programs while also protecting the health and well-being of our residents.

We look forward to further substantives discussion with USDA leadership and staff regarding this proposal's suitability for advancing our shared goal.

Thank you for this opportunity to present the local perspective on USDA's proposal.

Sincerely,



Matt Chase
Executive Director
National Association of Counties