

USDA Food and Nutrition Service Releases Proposed Rule Revising Broad-Based Categorical Eligibility in SNAP

On July 24, the USDA Food and Nutrition Service published in the Federal Register a proposed rule entitled “Revision of Categorical Eligibility in the Supplemental Nutrition Assistance Program (SNAP).” The proposed rule would limit categorical eligibility to those receiving Temporary Assistance for Needy Families (TANF) benefits. The Department proposes:

- 1) To define “benefits” for categorical eligibility as ongoing and substantial benefits; and 2) To limit the types of non-cash TANF benefits conferring categorical eligibility to those focused on subsidized employment, work supports, and child care.

The proposed rule would also require state SNAP agencies to inform FNS of all non-cash TANF benefits that confer categorical eligibility. The Department estimates that, if implemented, the policy would cause 3.1 million people to become ineligible for SNAP and cut SNAP benefits by \$3 billion a year, or roughly \$25 to \$30 billion over ten years.

In a press release from the USDA, Secretary Sonny Perdue is quoted saying “For too long, this loophole has been used to effectively bypass important eligibility guidelines. Too often, states have misused this flexibility without restraint. The American people expect their government to be fair, efficient, and to have integrity – just as they do in their own homes, businesses, and communities. That is why we are changing the rules, preventing abuse of a critical safety net system, so those who need food assistance the most are the only ones who receive it.” House Ways and Means Committee Ranking Member Kevin Brady (R-TX) released a statement supporting the proposed rule.

Meanwhile, House Ways and Means Committee Chairman Richard Neal (D-MA), Education and Labor Committee Chairman Bobby Scott (D-VA), and Agriculture Committee Chairman Collin Peterson (D-MN) released a statement opposing it, saying “Congress rejected this very proposal in the 2018 Farm Bill, and it is unlawful for the administration to attempt to override the law without congressional authorization. This distressing action will have significant, harmful impacts on hungry families and children across the country.”

Comments must be submitted no later than September 21.