



Testimony Opposing House Bill 5461
House Families, Children and Seniors Committee
Michigan League for Public Policy
February 22, 2022

I am Peter Ruark, Senior Policy Analyst at the Michigan League for Public Policy, a statewide research and advocacy organization that promotes economic opportunity for all. The League urges a no vote on House Bill 5461, a bill that would make it more difficult for the Michigan Department of Health and Human Services (DHHS) to request waivers from work requirements for food assistance.

Current federal policy states that able-bodied adults without dependents who receive food assistance through the Supplemental Nutrition Assistance Program (SNAP) are required to work at least 80 hours per month (an average of 20 hours per week). A recipient is limited to three months of not meeting the requirement within a three-year rolling period; a recipient who exceeds three months of not meeting the requirement is disqualified from receiving SNAP.

Beginning during the 2003 recession, Michigan received a waiver from the three-month time limit. This is because states have the flexibility to waive counties or metropolitan statistical areas that have experienced elevated unemployment. The rules governing an area's eligibility for waivers have been in place for approximately 20 years, and every state except Delaware has availed themselves of waivers at some point since the time limit became law.

For four years, from 2007 through 2010, Michigan had the highest unemployment rate in the country. If there was ever a state that deserved the flexibility to prevent struggling workers from losing their food assistance during those years, it was Michigan. Remember also that many lower-paid workers cannot access Unemployment Insurance in this state, so it is likely that the flexibility granted by the waiver of the three-month time limit was indeed the lifeline that kept such workers able to put food on their tables. In 2017, because Michigan's economy was improving, Michigan began phasing out the waivers from the time limit, beginning first with the lowest unemployment counties and eventually for the entire state.

SNAP caseloads tend to track with both unemployment and poverty trends: when unemployment and poverty rates go up, more people apply for and receive SNAP, and when unemployment and poverty decrease, SNAP caseloads decrease as well. This shows that as a public assistance program, SNAP responds to economic hardship the way it is intended to do.

It should be made clear that in fact most SNAP recipients are firmly attached to the labor force and often apply for SNAP in between jobs or when their hours are cut. Nationally, in any given month, an average of 82% of SNAP households with working-age, non-disabled adults are working either that month or within a year of that month. However, there are many recipients working in low-paying jobs with unreliable hours and limited benefits, whose employers might not provide enough hours to meet

a fixed monthly requirement when business is slow. Cutting off assistance to workers who fall below the 80-hour-per-month work requirement in times of economic downturn will not help those workers find better, more stable employment. Rather, it will pull the rug from under them as they try to weather the storms.

Along with underscoring that most SNAP recipients work, we must keep in mind that most recipients do not stay on SNAP continuously for a long time. A U.S. Department of Agriculture report a few years ago found that half of all SNAP recipients leave the program within 12 months after their first month receiving assistance, and two-thirds leave within two years. Sometimes they cycle back on again when they lose a job or their hours are cut.

The League believes that the best way for able-bodied adults to move out of poverty or economic hardship is through work, although we acknowledge that not all jobs pay enough or are stable enough to accomplish this objective. Keep in mind: SNAP does not pay the rent. It does not buy clothing or finance car repairs. It is impossible to live on SNAP benefits alone and hence it makes little sense to frame the SNAP program as a disincentive to work. On the contrary, SNAP is a support for those who cannot find work that is high paying enough or stable enough to enable them to be financially self-sufficient. Impeding the DHHS' ability to request and receive waivers from the three-month time limit would likely not result in more people finding stable work, but rather, only result in more people losing their SNAP benefits.

Because we believe the DHHS should continue to have the flexibility to request and receive waivers from the federal government in a timely and efficient manner during times of economic hardship, the Michigan League for Public Policy urges a no vote on House Bill 5461.