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## **BUDGET & TAX CENTER**

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## Time-limit waivers keep food on the table in tough times

Repealing a state prohibition on federal waivers of the time limit on food assistance is a critical tool for addressing food insecurity in employment deserts.

By BRIAN KENNEDY II, Budget & Tax Center Policy Analyst

orth Carolina is the 10th hungriest state in the nation. In a state known for its agriculture, every night, people in 590,000 households go to bed without having had enough food to eat.¹ The Supplemental Nutritional Assistance Program (SNAP) is an important tool in making sure that struggling North Carolinians have access to healthy and nutritious foods. Not only is the SNAP program essential in curbing hunger, it is one of the most efficient ways of helping people get back on their feet by supporting workers who face an unstable job market.² The assistance that helps put food on the table keeps people spending dollars locally, which in turn helps to stabilize local economies.

Despite SNAP's success, in 2016 state lawmakers prohibited the state from being able to take advantage of the Able-Bodied Adult Time Limit Waiver. As a result, adults without children in the home or who do not have a federally recognized disability will be subject to a harsh three-month SNAP time limit if they aren't able to find work, volunteer, or job training activities totaling 20 hours per week. At the time, the time limit on food assistance would have returned for 23 counties regardless of state action due to an improving economy in those counties. The remaining 77 counties qualified for a year-long waiver, but the Governor and legislature permanently banned state waivers after July 2016.³ The policy remains in place today, despite current economic conditions in many communities and the reality that the next economic downturn will undoubtedly lead to job losses that will require a state response.

By banning the ability to secure a waiver from applying the time limit on people during times of economic distress, our lawmakers have placed a misquided punishment on

Kennedy, B. (2018). N.C. Ranks 10th in hunger in the nation. NC Budget & Tax Center, Raleigh, N.C. Accessed here: https://www.ncjustice.org/publications/btc-brief-nc-ranks-10th-in-hunger-in-the-nation/

Nchako, C. & Lexin Cai (2018). A Closer Look at Who Benefits from SNAP: State-by-State Fact Sheets. Center On Budget and Policy Priorities, Washington, D.C. Accessed here: https://www.cbpp.org/research/food-assistance/most-working-age-snap-participants-work-but-often-in-unstable-jobs

Mitchell, T. (2015). SNAP Policy: The Return of the Harsh Three-Month Time Limit for Childless, Non-Disabled Adults. NC Budget & Tax Center, Raleigh, N.C. Accessed here: https://www.ncjustice.org/wp-content/uploads/2018/12/BTC-Policy-Basic-SNAP-Time-Limit\_0.pdf





struggling North Carolinians in limiting access to food, and they have unnecessarily limited the tools our state has to fight poverty and respond to minimize the harm of the next downturn.

Reporting requirements on work activities undermine the goal of helping people find stable and adequate work and move out of poverty. This is especially true in local economies where good jobs can be hard to find. At the end of 2018, there were 49 counties that had fewer jobs than in 2007, before the Great Recession. Additionally, there are 23 counties that are losing jobs each year. The Time-Limit Waiver gives the state the flexibility to respond to the needs of individuals and struggling communities. It targets people who need help the most and provides them with the support they need to get back on their feet.

Most people who are subject to SNAP time-limits are already working. More than 40 percent of SNAP recipients in the state are in working families. Work reporting requirements ignore the reality that many low-wage workers often fall below the required 20 hour a week reporting requirement due to circumstances out of their control. Unpredictable scheduling, a lack of access to paid family leave, and other factors

can make it difficult for workers to meet strict requirements despite their best efforts.

The state does not have adequate infrastructure to address barriers to **employment.** The state only offers approximately 7,100 SNAP Employment & Training opportunities in 13 counties for the more than 126,000 adults subject to the time limits.6 Requiring reports on their work activities without addressing the barriers to employment faced by those who are not currently working puts food assistance at risk, not just for that individual, but for their family and anyone else who depends on them for support.

The reality is that skills training and retraining for new careers is often needed to find jobs across North Carolina, and until the infrastructure is in

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place to provide that training, people will not be able to connect with available employment. It also creates an additional cost to local offices tasked with case management and monitoring reporting of work activities while simultaneously adding to the time that people must spend to maintain their food assistance rather than look for work. In addition to creating a strain on the local governments, local food pantries also feel the increased demand for support. Regional food banks and pantries, who already face diminished funding and a high demand for services, are the first to feel the effects of policies that reduce food assistance to North Carolinians in need.7

SNAP is one of the most efficient and effective tools at helping people move out of poverty and creating economic activity in local economies.

In a future economic downturn, SNAP Time-Limit Waivers will be a critical tool in helping local communities recover quickly. By recognizing that the broader labor market conditions matter for people's ability find work and stay employed, the time-limit waiver provides time for people to stabilize their households and gives them the tools they need to ensure they are healthy

Munn, W. (2019). Employment growth is not equitable across North Carolina counties. NC Budget & Tax Center, Raleigh, N.C. Accessed here: https://www.ncjustice.org/publications/employment-growth-is-not-equitable-across-north-carolina-counties

North Carolina SNAP Employment and Training Plan, FFY 2019. NC Department of Health and Human Services

Bellemy, C. (2019) Wilmington food banks brace as shutdown drags. Star News Online, Wilmington, N.C. Accessed here: https:// www.starnewsonline.com/news/20190123/wilmington-food-banks-brace-as-shutdown-drags-on





and ready to work.8. Research shows that households actually increase work participation in the months after receiving new SNAP benefits.9

Families and communities thrive when workers' basic needs are met and they are able to fully contribute and engage.

With 9,700 retailers in North Carolina participating in SNAP, it is a major private-public partnership resulting in a direct infusion of cash into our businesses. Moody's Analytics estimates that every \$1 in SNAP benefits generates \$1.70 in economic activity. In 2017, SNAP infused more than \$2 billion in economic activity into the state and served as an economic boost to small and rural economies.<sup>10</sup>

Repealing a prohibition on state lawmakers pursuing a federal waiver of the time limit on access to food assistance is critical in connecting struggling North Carolinians with the food they need to be well during an economic downturn and to engage with their local economies.

<sup>8</sup> Carlson, S. & Brynne Keith-Jennings (2018). SNAP Is Linked with Improved Nutritional Outcomes and Lower Health Care Costs. Center on Budget and Policy Priorities, Washington, D.C. Accessed here: https://www.cbpp.org/research/food-assistance/snap-is-linked-withimproved-nutritional-outcomes-and-lower-health-care

<sup>9</sup> Rosenbaum, D. (2013) The Relationship Between SNAP and Work Among Low-Income Households. Center on Budget and Policy Priorities, Washington, D.C. Accessed here: https://www.cbpp.org/research/the-relationship-between-snap-and-work-among-low-income-households

<sup>10</sup> Nchako, C. & Lexin Cai (2018). A Closer Look at Who Benefits from SNAP: State-by-State Fact Sheets. Center On Budget and Policy Priorities, Washington, D.C. Accessed here: https://www.cbpp.org/research/food-assistance/most-working-age-snap-participants-work-but-often-in-unstable-jobs