



November 28, 2016

Vicky T. Robinson, Chief
Retailer Management and Issuance Branch
Retailer Policy and Management Division
Food and Nutrition Service
United States Department of Agriculture
3101 Park Center Drive, Rm 418
Alexandria, Virginia 22302

RE: NPRM 2008 Farm Bill Provisions on Clarification of Split Issuance; Accrual of Benefits and Definition Changes (RIN: 0584-AE02)

Dear Ms. Robinson,

Thank you for the opportunity to comment on the proposed rules to clarify Supplemental Nutrition Assistance Program (SNAP) issuances and benefit accrual provisions in accordance with the 2008 Farm Bill. The Center for Law and Social Policy (CLASP) advocates for public policies and programs at the federal, state, and local levels that reduce poverty, help low-income people become economically self-sufficient, and create ladders to opportunity for all. SNAP is a critical nutrition program that supports over 44 million individuals and is a key component of the safety net, helping millions of households maintain food security each year.

Benefit Expungement

We appreciate FNS's careful consideration of expungement rules in terms of the impact on SNAP recipients as well as the administrative burdens to state agencies. There are many reasons for benefits to accrue without usage on a SNAP recipient's EBT card. Elderly and disabled households receiving the minimum (\$16) monthly allotment may choose to accumulate benefits to use during a single grocery trip as it may be most cost effective given transit difficulties and to maximize their purchasing power. Some SNAP households may opt to use their monthly allotment to supplement their food funds and use the money at wholesale grocers where they can stockpile bulk non-perishable items. Transportation limitations (no car, poor public transit, etc.) may also prevent some households from making grocery purchases on a regular basis, instead using corner markets (which may not be eligible SNAP vendors) to supplement their grocery supply. In these cases, beneficiaries may opt to accumulate benefits for several months until they can borrow a vehicle or enlist a friend or neighbor to provide transportation to a grocery store where SNAP benefits can be redeemed.

The underlying assumption when identifying cases with unused funds or high balances is that the household does not *need* the benefit, or has taken fraudulent actions to secure benefits for which they are not entitled. We know that FNS has taken very seriously the issues of fraud and misuse in the SNAP program. These efforts have resulted in a sharp reduction of payment errors since

the early 2000s, disqualification of individuals and retailers engaging in improper activities, and stronger rules to guide states and provide the leverage to enforce stricter restrictions and penalties. Given the scope and efficiency of these efforts, it is duplicative to establish more stringent rules than necessary in the expungement process in order to reduce the potential for fraud.¹

CLASP supports the current expungement rule interpretation (interpretation #1 as referred to in the NPRM) to expunge benefits from accounts that have not been active in 12 months. As we have highlighted, many practical and economic reasons exist for households to accumulate benefits. Furthermore, to implement fairly and effectively, interpretation #2 would require states to provide proper payment education and notification, and establishing a first-in-first out (FIFO) accounting process, creating an additional administrative burden on states. While we understand and appreciate FNS's need to respect the preferences of states, CLASP feels strongly that benefit expungement should consider the hardship to recipients, and potential to limit access, as well as the process preferences of states. The current system does not appear to create undue burdens on states or clients and does not negatively impact program integrity, so we recommend that FNS keep the interpretation and guidance on benefit expungement as-is (interpretation #1).

Split Issuance

On the issue of split issuance, we support the restriction of split issuance except during a transition month when an issuance schedule is changing. The argument that split issuances are needed to even out spending over the month presumes that SNAP recipients are uninformed on how to best utilize their SNAP allotment, which has not been shown to be true. Issuing SNAP in a single monthly lump sum allows households the power to make sensible decisions based on sales, quality product availability, and bulk purchasing. In addition, SNAP recipients with limited transportation options may prefer to shop less frequently in order to minimize the time and financial costs of traveling to the most economical stores.

We appreciate the opportunity to comment on the proposed rules and welcome any questions you may have.

Sincerely,



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¹ <http://www.fns.usda.gov/fraud/what-fns-doing-fight-snap-fraud>