The State Nutrition Assistance Flexibility Act

Introduced by Rep. Tim Huelskamp (KS-01) Supported by the Heritage Foundation

In the Farm Bill alone, 6 different programs exist to provide food and nutrition assistance to the poor. The largest is SNAP (commonly known as Food Stamps), which still operates like the pre-reform welfare entitlement program AFDC. The legislation applies the successful reform model of 1996 to the 6 food welfare programs in the Farm Bill by combining them into a single block grant to the states with a work activation program for able-bodied adults. In this way, the *State Nutrition Assistance Flexibility Act* will make food welfare more effective and more affordable, which is the best outcome for everyone.

Bill Overview:

The State Nutrition Assistance Flexibility Act provides states federal funding that promotes:

• Maximum Flexibility for States

- Federal funding for the six food welfare programs in the Farm Bill will be combined into a single block grant. States may spend their own funds at whatever level they choose.
- ➤ The states will have sole authority to determine eligibility and benefits. Restrictions on using benefits to purchase alcohol, tobacco, or other currently prohibited items must be at least as strict as under the current Food Stamp program.
- Able-bodied adults without dependents (ABAWDs) will be required to participate in a work activation program that includes two days of on-site activity and five days of off-site job searches per month.
- > States may use up to 30% of their federal funding to support other welfare programs.
- Each state may use a portion of its block grant to establish a Rainy Day Fund to prepare for potential spikes in program enrollment.
- ➤ Unless otherwise specified, states are free to establish their own program rules and guidelines without seeking a waiver from the U.S.D.A. This gives states the flexibility they need to develop efficient and effective nutrition programs that better serve their local populations.

• Accountability to Taxpayers

- > States will have full authority to proactively detect and prosecute misuse, fraud, and abuse.
- ➤ Each state will undergo annual independent audits, which shall be provided to the U.S. Treasury Secretary, the state legislatures, and the general public. Misused funds detected by an audit will result in forfeiture of the funds with a 10% penalty.
- Current-law prohibitions will continue against services for illegal aliens, and against discrimination based upon disability, sex, race, color, or national origin.

Section-be-Section Summary:

Section 1: Short Title – The State Nutrition Assistance Flexibility Act of 2013

Section 2: Purpose - To provide federal financial assistance to the states, in the form of a single grant, to allow the states maximum flexibility in providing supplemental food and nutrition assistance.

Section 3: Grants to States – Funds are distributed to states in the form of a quarterly block grant, based on the proportion of the state's population living below the federal poverty line as compared to the proportion of the nation's population living below the federal poverty line. Limitations on the eligible use of benefits (such as those regarding alcohol and tobacco) must be at least as strict as current law for the Food Stamp program. The funding for the grants is based on the FY 2008 costs of SNAP (\$37.6 billion annually). For FY 2012, the total cost for the six programs was over \$79 billion.

In addition to benefits offered, funds from the grant must be used by states to establish a work activation program, which includes training and work placement. Nationally, 1.5 million able-bodied adults without dependents (ABAWDs) are required to participate in the program each month. Each state is required maintain a minimum participation level that is proportional in the workforce activation program that is proportionate to their population living below the poverty line. (For example, if 5% of the nation's population living below the poverty line resides in Kansas, then Kansas is required to have 5% of the national total of people participating in the work activation program.)

States are permitted to set aside up to 30% of their grant for a Rainy Day Fund to be used during periods of unexpectedly high rates of unemployment or spikes in program enrollment.

Section 4: Administrative and Fiscal Accountability - Each state will undergo annual independent audits, which shall be provided to the U.S. Treasury Secretary, the state legislatures, and the general public. Misused funds detected by an audit will result in forfeiture of the funds with a 10% penalty.

Section 5: Nondiscrimination Provisions - Current-law prohibitions will continue against discrimination based upon disability, sex, race, color, or national origin.

Section 6: Definitions - The legislation gives maximum flexibility to states in determining what nutrition assistance should be offered to their populations. Some states have previously applied to the U.S.D.A. to tailor the eligible benefits of SNAP, but have been denied this opportunity.

Section 7: Repeals – This legislation replaces the following nutrition programs found in the Farm Bill with one nutrition block grant.

- > Supplemental Nutrition Assistance Program (SNAP; also known as Food Stamps)
- ➤ The Emergency Food Assistance Program (TEFAP)
- Community Food Projects
- ➤ Commodity Supplemental Food Program
- > Senior Farmers' Market Nutrition Program
- Fresh Fruit and Vegetable Program (FFVP)

Section 8: Severability - If any provision of this legislation is found to be unconstitutional, the remainder shall not be affected.

Section 9: Effective Date - The legislation takes effect on October 1, 2013.

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