

The Impact of the Re-imposition of the SNAP 3-month Time Limit for Young, Unemployed Adults

Introduction

Beginning January 1, 2016, 82,500 Mississippians became subject to a 3-month time limit for the Supplemental Nutrition Assistance Program (SNAP), formerly called food stamps.¹ These individuals are no younger than 18 and no older than 49, they are without dependent children and able-bodied. Formally, these individuals are referred to as Able Bodied Adults Without Dependents (ABAWDs).² The rule limits SNAP to 3 months in every 36-month period for these young, unemployed adults. The 3-year calendar begins the month that an individual applies or recertifies for SNAP. Individuals subject to this rule can continue to receive SNAP if they meet a qualifying exemption, including working more than 20 hours per week or meeting a qualifying work activity. While a federal rule imposes the harsh time limit on ABAWDs, states have the option of applying for a waiver from the rule.³ Since 2006, Mississippi has been under a statewide waiver.⁴ In 2016, however, a Mississippi Center for Justice (MCJ) Public Records Act (PRA) request revealed several important findings:

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- The state is eligible for a statewide waiver from the rule, but has opted to leave this critical lifeline on the table, leaving 82,539 struggling Mississippians living in the nation's most economically depressed counties at risk of losing assistance to purchase food
- The state has enough time limit exemptions (15% exemptions) to extend SNAP benefits to thousands of Mississippians in counties with the highest unemployment rates, but the state's strategy is to apply its banked exemptions to ABAWDs who receive an inadvertent 4th month of food assistance acting as a buffer for quality control errors
- Notice to applicants occurred in October and November 2015, leaving very limited time for ABAWDs already seeking employment to find work or qualify for other exemptions; The state did confirm that any notices of approval or adverse action would include information on the time limit and qualifying work activities; and steps are being

- taken to get materials translated and to get a review of the accuracy of wording
- While the state maintains a list of food banks and food pantries throughout the state, these organizations had not been individually contacted about the time limit as of the time of MCJ's PRA request
- The state is not proactively using SNAP Employment & Training grant funds to provide work slots or work activity for ABAWDs exhausting their time limit; while the state confirmed they are reaching out to community organizations to develop training sites, ABAWDs in areas with "few resources" will have options

Who are ABAWDs and what are Allowable Exemptions from the 3-month Time Limit?

An ABAWD (Able-Bodied Adult Without Dependents) is an individual between the ages of 18-50 who is physically and mentally fit for work, does not have dependents, is unemployed, and does not meet an employment exemption. Without a statewide waiver or other exemption, these individuals can only receive 3 months of SNAP benefits over a 36 month period.

If a work requirement is met, an ABAWD can receive more than 3 months of SNAP. Activities that qualify for the work requirement are: working 20 hours or more per week (including unpaid work); participating in a work program 20 hours or more per week (for example: WIOA initiatives or E&T programs); a combination of the two for at least 20 hours per week; or participating in a workfare program. Workfare programs are organized through nonprofit agencies and allow ABAWDs to receive compensation in the form of their household's monthly SNAP allotment, rather than wages.

Alternatively, an ABAWD can receive SNAP for more than 3 months if he or she meets a work exemption. Exemptions include: being the caregiver for an incapacitated person; students enrolled at least half-time in school; regular participation in a drug or alcohol rehabilitation program; individuals employed or self employed and working a minimum of 30 hours weekly; individuals receiving unemployment insurance; individuals complying with the work requirements of another program (including TANF); or those responsible for the care of a child under the age of six.

as allowed under federal statute such as comparable work activity, but will be randomized in the state's new SNAP E & T Pilot Program which provides funds for education and training expenses

- In 78 of 82 counties, the unemployment rate was higher in 2014 than in 2006 when the state first went under a waiver

- Potential losses of SNAP benefits due to the time limit could also result in an \$8.1 million loss of SNAP benefit revenue each month statewide

Advocates in Mississippi are preparing for the coming storm. Unfortunately, our anti-hunger network is equipped to function alongside government programs like SNAP. Private non-profit programs are not designed to replace the safety net, rather to make up for its gaps. Allowing this policy to go back into effect without any mitigating actions will tear a significant hole in the food assistance safety net. Community organizations serving SNAP recipients are concerned that clients will have

difficulty meeting work requirements and will lose SNAP benefits no matter how much effort they put into finding employment.

In order to provide the general public, policymakers and advocates with a better understanding of the potential scope of the impact, MCJ submitted a PRA request to the Mississippi Department of Human Services (MDHS) in November of 2015. The following month, MCJ received a response from the state. The following brief outlines the findings of that records request, including the potential impact of the 3-month time limit for each county and existing policy solutions to prevent increasing the distress level of Mississippi's struggling young adults.

Food Insecurity and the Benefit of SNAP in Mississippi

Other states that have re-imposed the time limit for ABAWDs have seen drastic reductions in the SNAP caseload, which has resulted in difficult challenges for anti-hunger organizations.⁵ The potential loss of SNAP benefits across such a large recipient group poses serious implications for food banks, food pantries and other organizations working to end hunger in Mississippi. In some cases, such organizations may be abruptly forced to reallocate resources, to increase fundraising or to find alternative means of support to meet the increased demand for non-SNAP food assistance. Such a loss of

White House Study on the Benefits of SNAP

The overwhelming benefits of SNAP were highlighted in a recent White House Council of Economic Advisors report. SNAP benefits contributed more to poverty reduction among children than any other program except refundable tax credits. Researchers have found that SNAP lowers food insecurity by at least 18%. The most recent studies indicate that SNAP is highly effective at reducing food insecurity, but falls short of eliminating it. There is strong evidence that SNAP reduces food insecurity. The wide range of negative outcomes of food insecurity includes worse reported health, and higher rates of heart disease, diabetes, high blood pressure, and depression.

Food insecurity is associated with postponing medical care, postponing medications, increased emergency department use, and more frequent hospitalizations among low-income adults. SNAP can help reallocate income within the family away from food and toward these health expenditures. SNAP users were shown to have more medical checkups, suggesting that they are able to invest more in their health. Observational studies suggest that SNAP receipt may indeed have a positive impact on the outcomes that have been linked to a lower risk of anemia and other nutritional deficiencies, as well as to a lower likelihood of being at developmental risk, in fair or poor health, or overweight.

Exhaustion of SNAP benefits can cause an 11% increase in the rate of disciplinary actions between the first and last week of the month for SNAP students. The benefits of SNAP in the classroom may extend to non-SNAP users as well by lowering distracting behavioral problems. A forthcoming study demonstrates that the short-run benefits of food assistance to young children can indeed translate into long-term positive impacts on adult health and economic self-sufficiency. Early access to food stamps can lead to an 18-percentage point increase in the likelihood of a student finishing high school.

https://www.whitehouse.gov/sites/whitehouse.gov/files/documents/SNAP_report_final_nonembargo.pdf

SNAP may also result in reduced revenue at grocery retailers across the state.

One in 5 Mississippians (21% of the state's population) uses food assistance, according to the MDHS.⁶ ABAWDs account for 13% of Mississippi SNAP participants. People at risk of losing benefits after only 3 months of eligibility are often the most vulnerable, but they do not fit neatly into one demographic category. While income eligibility for SNAP is generally a gross income 130% or less of the Federal Poverty Level (FPL)⁷, most ABAWDs have extremely low income. Approximately 4 out of 5 have income below 50% of FPL and nearly one-third are over the age of 40.⁸ ABAWDs are a mix of men and women, living in both rural and urban areas.⁹

While SNAP helps to provide a basic human need for hundreds of thousands of Mississippians each month, issues of hunger remain prevalent. The persistence of hunger is a symptom of increasing levels of poverty and growing job scarcity. Hunger in the Mississippi Delta was documented in the 1960s on national news outlets. The imagery of severe poverty and deep underdevelopment in Mississippi communities fueled efforts to establish the social safety net, setting up the foundation for SNAP.¹⁰

Still today, Mississippi is consistently shown to have one of the nation's highest rates of food insecure households. Food insecurity is a United States Department of Agriculture (USDA) designation given to homes that struggle to put food on the table. Food insecure households are unable to purchase an adequate amount of food or they are unable to purchase fresh and nutritious food. Hunger inflicts a drastic impact on working adults, developing children and aging seniors. Access to food that lacks nutrition causes consequences related to physical and mental health, as well as early learning among children. In USDA's most recent food insecurity report, Mississippi was found to have the highest rate of food insecure households, at 22% -- more than 1 in 5 households.¹¹

Due to the state's excessively high prevalence of food insecurity, SNAP is a critical component of the social safety net. Benefits help working poor families and unemployed adults establish a stable source of income for food. This helps to remove a critical stress point in the lives of Mississippians who are getting back on their feet. It is also a critical driver of local economies, often representing significant revenue streams for grocery retailers.

Unfortunately, the average SNAP monthly benefit level in Mississippi falls short of the USDA's low-cost monthly food plan for a single adult.¹² In fact,

USDA data show that more than 6 in 10 food insecure households participate in one of three major federal food assistance programs, including SNAP.¹³ While the average per person SNAP benefit value has reduced in most states, the rate of households reporting very low food security has increased.¹⁴

Mississippi SNAP Overview

In 2015, Mississippi approved 119,473 SNAP applications.
In June 2015 alone, 628,682 Mississippians received SNAP – almost a quarter of the state.
[<http://www.mdhs.state.ms.us/media/314862/2015-SFY-Annual-Report.pdf>]

Mississippi has 82,539 ABAWDs total, with 55,577 subject to the three-month time limit. In 2016, those 55,000 adults will only be able to draw three months of SNAP benefits and many will go hungry.

[MCJ PRA request data from MDHS]

SNAP provides \$150-200 monthly per person. It costs \$1064 per month to feed a family of 4 with elementary aged children, according to the USDA. This leaves families receiving benefits with up to a \$464 gap to fill monthly.

[http://www.cnpp.usda.gov/sites/default/files/usda_food_plans_cost_of_food/CostofFoodJul2014.pdf]

For a family for four, the maximum eligible household income that qualifies for SNAP in Mississippi is \$31,525. For an individual that number sinks to \$15,301. However, most recipients maintain incomes much lower.

SNAP applicants can have no more than \$2,001 collectively between checking and savings accounts. If the applicant is caring for an elderly adult or disabled individual, they may have no more than \$3,001 in those accounts combined.

[<http://www.benefits.gov/benefits/benefit-details/1288>]

39% of SNAP participants are in working families. Many of the jobs created during the Great Recession recovery were low paying or part time, leaving many individuals who have found work still seeking SNAP assistance.

44% of SNAP participants are children. 17% are elderly or disabled. Together that means that 61% of SNAP recipients are individuals who cannot work either physically or by law.

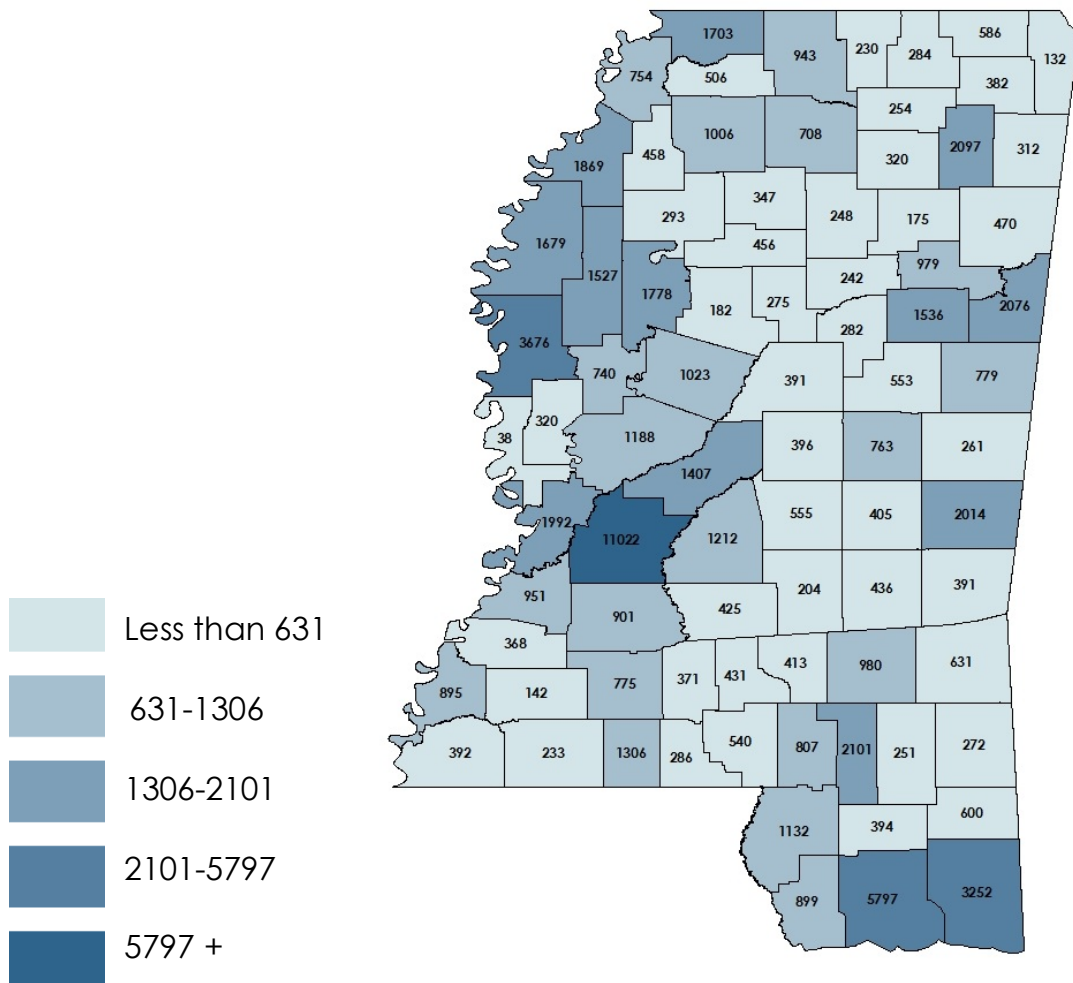
SNAP kept 90,000 people out of poverty from 2009-2012, half of which were children.

[<http://www.cbpp.org/sites/default/files/atoms/files/MS.pdf>]

Where Are ABAWDs Concentrated in Mississippi and How Many are Subject to the Rule?

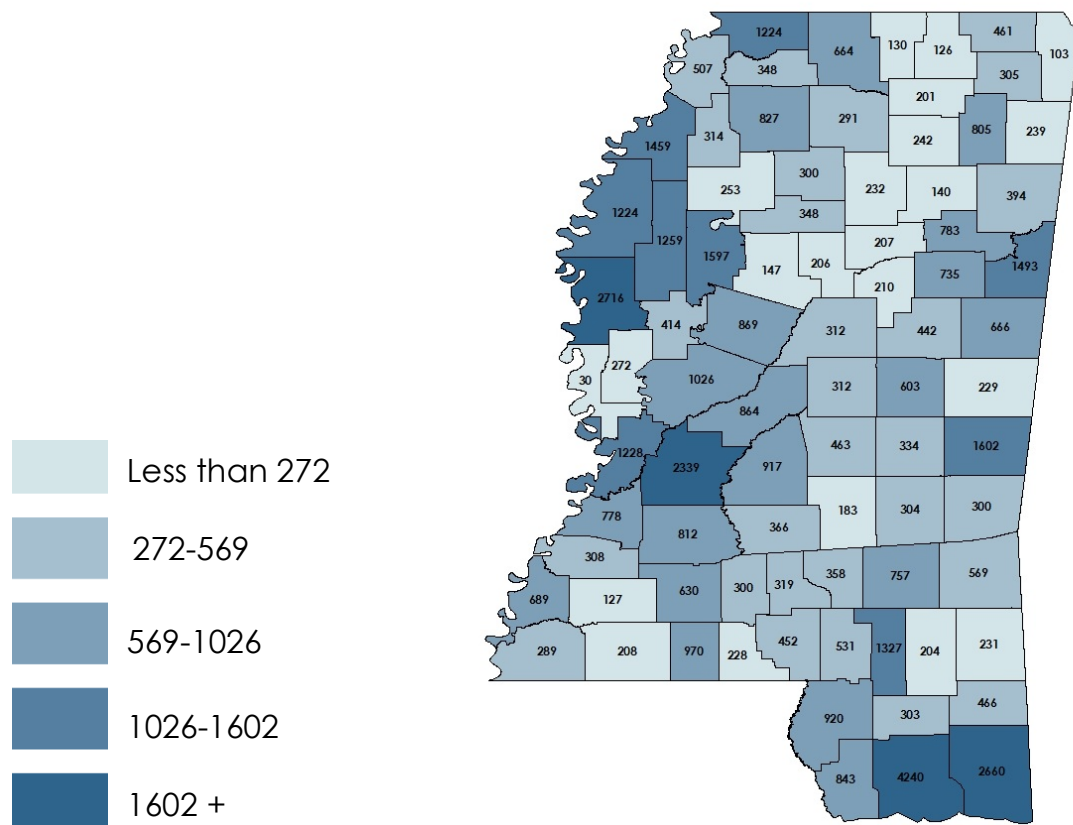
Most ABAWDs live in counties, cities, towns and neighborhoods where jobs are scarce and poverty is the highest in the nation. Young, unemployed adults receiving SNAP are numerous in every county throughout Mississippi. Differences in the number of ABAWDs largely follow population sizes, with the highest numbers in the Mississippi Delta, the Gulf Coast and the Jackson metro area. Nationally, more than 1 million childless adults will face the harsh time limit and risk losing assistance in 2016.¹⁵

Map 1. Total Number of ABAWDs by County¹⁶



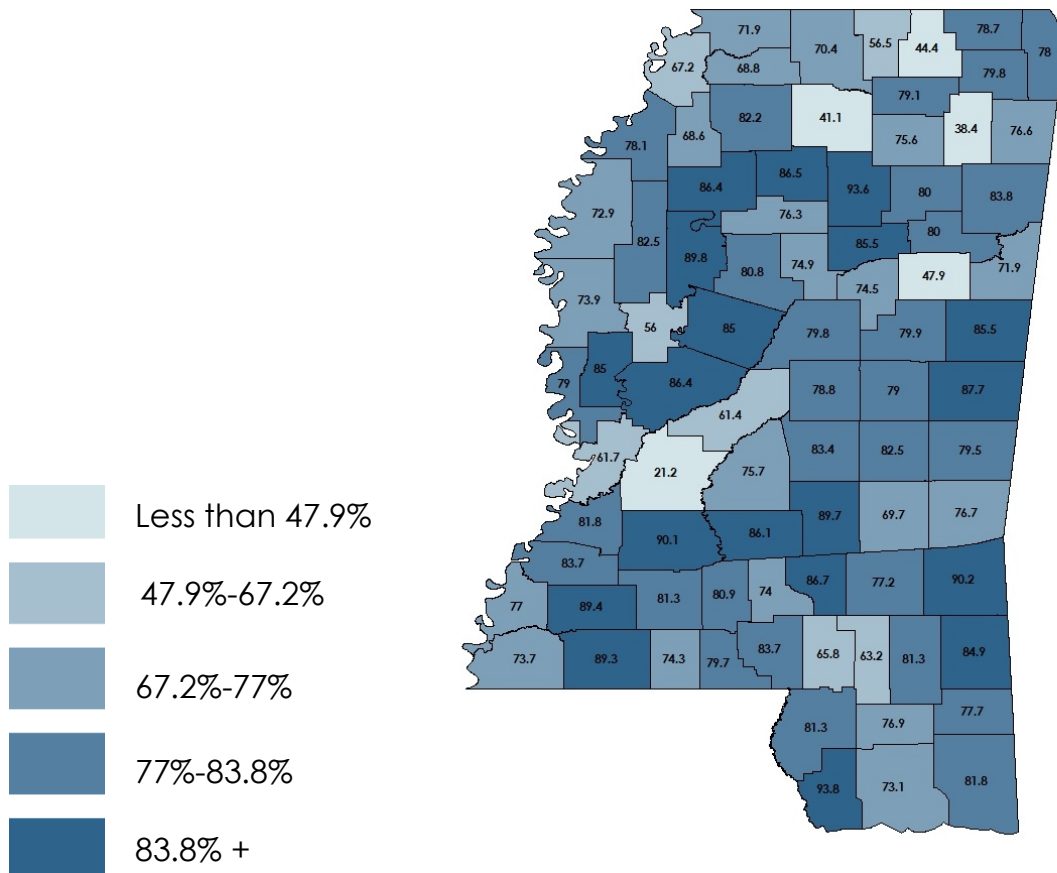
The total number of ABAWDs that the MDHS expects to be subject to the time limit is 55,577. Figures in Map 1 do not account for 1,493 ABAWDs due to

Map 3. Number of ABAWDs Subject to the 3-Month Time Limit



There is some variation in the share of ABAWDs who are predicted to face the time limit in 2016 from county to county, but in the majority of counties more than 8 in 10 ABAWDs will not meet an exemption as the rule is re-imposed.

Map 4. Percent of ABAWDs Subject to the 3-Month Time Limit



Waivers Tied To Unemployment trends in Counties

At the request of the Mississippi Department of Human Services (MDHS), the Food and Nutrition Service (FNS) may waive the 3 month limit of SNAP benefits for individuals if their county has either an unemployment rate over 10% or lacks a sufficient number of jobs for those individuals.

For waiver requests based on unemployment rates or lack of jobs, the MDHS must prove a deficiency through data the Bureau of Labor Statistics (BLS) supports.

To support a claim of unemployment over 10% the MDHS must submit evidence that an area has: an average unemployment rate over 10% in the past year; an unemployment rate over 10% in the past 3 months; or a historic seasonal unemployment rate over 10%.

To support a claim of lack of sufficient jobs the MDHS may submit evidence that an area: qualifies for extended unemployment benefits as determined by the Department of Labor (DOL); has a low and declining employment-to-population ratio; has too few jobs in declining occupations or industries; is described as having an insufficient number of jobs by an academic study or other publication; is designated as a Labor Surplus Area (LSA) by the DOL. An LSA is an area with an average annual unemployment rate 20% higher than the national average in the past two years. (doleta.gov)

FNS must confirm MDHS findings to approve the waiver request.

The FNS approves waivers for one year but reserves the right to approve waivers for less time at the State's request or if data is insufficient, or for a longer period if reasons are compelling.

If MDHS selects individual counties, rather than submitting a statewide waiver, then FNS encourages the State to submit data for these counties.

Policy Background and Solutions to Mitigate the Impact of the Time Limit

The impact of current policy choices regarding ABAWDs may include: increased hunger, lost revenue at grocery stores, increased distress on vulnerable people and increased administrative burden on the MDHS.

Waivers are Essential in the State's Areas of Highest Unemployment

The time limit is going back into effect because of the expiration of a statewide waiver, and MDHS did not apply for a new waiver. The federally mandated time limit became law as part of the 1996 Welfare Reform Act, requiring a specific group of individuals to comply with a harsher set of rules.

Mississippi has been under a statewide waiver since 2006. Many states around the country became eligible for statewide waivers during the Great Recession, as unemployment levels sharply rose; food assistance kept many from going hungry and kept resources flowing in local economies.

While strong work incentives are important in the structure of public safety net programs, measurable

factors like the state of the local job market and the overall economy should be

taken into account when considering restrictions on eligibility standards. The federal rule that allows more stringent eligibility rules to be relaxed exists to give states a lifeline for working families in times of job scarcity and stagnant wage growth.

Unemployment rates still above Pre-Recession levels and a DOL designation of nearly every county as a Labor Surplus Area has left Mississippi eligible for a statewide reprieve from the harsh time limit.¹⁷ In 2015, the Bureau of Economic Analysis (BEA) released data showing that Mississippi's state economy was in Recession in 2013 and 2014, leading the state economist to offer the following conclusion in a June 2015 Associated Press report: "If the national economy is barely growing, we're going to be barely growing or in recession."¹⁸ This means that people are going to struggle to find jobs and employers are going to struggle to create them. Food assistance becomes all the more essential and losing it all the more devastating.

While Mississippi's statewide unemployment rate has declined from the Recession's peak, county-wide data portrays a different scenario. In 78 of 82 counties, the unemployment rate was higher in 2014 than in 2006 when the state first received a waiver (See Appendix for unemployment data).¹⁹ Three of the four counties that have seen the largest drop in unemployment since the statewide waiver went into effect were in the Gulf Coast region (Hancock, Harrison and George counties). In November 2015, however, the Gulf Coast posted the largest drop in construction jobs in the nation.²⁰ Part of the explanation for the decrease in unemployment in the last decade was temporary post-disaster construction projects. With many of these short-term boosts coming to a close on the Gulf Coast, the employment figures may paint a different picture in 2016. A sudden fluctuation in a major sector like construction is precisely the scenario that waivers and exemptions were designed to mitigate. The Gulf Coast region accounts for a large share of ABAWDs in Mississippi.

Federal policy acknowledges that employment conditions are in a constant state of flux. The policy establishes a strict work requirement by limiting access to SNAP among able-bodied, childless adults when employment opportunities are plentiful, yet it provides a mechanism that is responsive to shifting economic conditions, allowing states to ease the harshness of such requirements, when employment opportunities are scarce. Allowing the time limit waiver to expire and refusing to apply for a new one in Mississippi's hardest hit local economies is not an effective strategy to decrease dependence on SNAP. Preventing an existing lifeline from achieving its intended purpose will only serve to increase

the need for and reliance on the public safety net. It will overwhelm food banks and direct service providers. Such inaction will also impose greater burdens on the MDHS.

Mississippi is requiring exempt ABAWDs receiving SNAP to recertify every 4 months.²¹ The frequency of recertification will impose more burdens on the MDHS in implementing the rule, but it is an essential step in order to determine whether or not an ABAWD retains his exemption because of ever changing factors such as hours worked, factors making one unfit for work, participation in qualified work activities, pregnancy or other changes occurring between reports.

The MDHS has made other policy choices that will decrease efficiency and increase administrative burden. It is likely these additional burdens will result in increased administrative costs, of which the state pays slightly more than half.²² For instance, the state has the option of selecting a “fixed statewide clock” for tracking the 36-month period for ABAWDs. Instead, the MDHS is using a “fixed individual clock”. The difference between the two options comes down to putting all ABAWDs on the same 36-month clock or maintaining tens of thousands of individual clocks. Unfortunately, the state has selected the latter of the options. While each clock presents its own challenges, legal scholars have concluded that the least administratively burdensome option is the statewide fixed clock.²³ Because the MDHS has selected one of the more administratively complex tracking mechanisms and because it has gone nearly a decade without having to implement the policy, the agency’s risk of quality control errors will increase. Such errors translate to higher costs, in addition to a higher risk of incorrect terminations of benefits.

Recognizing the burden states face with the expiration of waivers, the USDA Food and Nutrition Service recently offered the following guidance:

Implementation of ABAWD time limit policy not only impacts client eligibility and access, but also has consequences for State administrative measures. Administering the time limit inaccurately, either by failing to apply it to those who meet the time limit or inadvertently applying it to those who are exempt, can impact Quality Control (QC) error rates. Failing to apply the time limit to ABAWDs who have used their three countable months can cause a payment error. Likewise, misapplying the time limit to ABAWDs who are in fact fulfilling the work requirement, or applying the time limit to exempt individuals can cause payment and/or case and procedural errors (CAPER).²⁴

A document contained in MCJ’s PRA request, the “Mississippi ABAWD Strategy

Example”, states “waivers and exemptions maximize efficiency by minimizing workload on staff” and “waivers and exemptions also allow the state to focus efforts where jobs are available”.²⁵ Despite the clear benefits for recipients and the MDHS of submitting either a statewide waiver or a partial waiver in hard-hit counties, the state has opted to ignore the option for 2016.

15% Exemptions Designed to Mitigate the Impact of the Time Limit in the Most Unemployed Counties

The MDHS can also extend SNAP benefits beyond 3 countable months using a 15% exemption. For each fiscal year, the MDHS may provide exemptions until the monthly average reaches 15% of individuals receiving assistance.

As of 2015, the 15% Exemption Allotment is 54,807. The 15% exemption option is available regardless of whether the waiver is being implemented. This provides a buffer for ABAWDs living in counties with high unemployment. Each exemption would account for 1 ABAWD slot equal to 1 month of benefits

In the “Mississippi ABAWD Strategy Example”, obtained via MCJ’s PRA request, a proposed strategy called for an extension of benefits for 12 months in counties with the highest unemployment rates, which would have extended SNAP for nearly 4,000 young, unemployed adults in Claiborne, Holmes, Humphreys, Issaquena, Jefferson, Kemper and Quitman Counties. Mississippi’s banked 15% exemptions were enough allow the state to achieve this or other targeted strategies prioritizing hunger prevention.

However, MCJ determined that the MDHS plans to use its 15% exemptions to buffer the quality control error rate for ABAWDs who receive an inadvertent 4th month of SNAP, rather than to strategically extend SNAP benefits to individuals in the most jobless and impoverished counties.

SNAP Employment & Training funding should be Targeted for ABAWDs Exhausting the Time Limit

Individuals can meet the work requirement by participating in a SNAP Employment and Training (E&T) program. The program aims to provide SNAP recipients with resources to help place them in full time, steady employment. Through MCJ’s PRA request, the MDHS revealed that ABAWDs who are not subject to a work exemption or requirement, and are not pregnant would be required to participate in an E & T program. Creating additional E & T slots

translates to more programmatic costs. For many ABAWDs, work opportunities through E & T will not be provided. Additionally, because the program is mandatory, any individual who rejects E & T will be disqualified.

The state should maximize E & T funds to support policies designed to mitigate the harsh impact of the 3-month time limit. In the “Mississippi ABAWD Strategy Example” obtained from the MDHS, options considered by the state include expanding E & T programs to offer more qualifying work activities and to use unspent E & T grants to create targeted workforce services. According to the document provided to MCJ in late 2015, “To date, there is still \$829,520 in unobligated/unspent funds remaining in the 2015 budget.” At the very least, the MDHS should consider designating some portion of unspent/unobligated E & T funds to provide work slots specifically for ABAWDs exhausting the time limit.

MCJ determined that the state is not proactively using SNAP E & T grant funds to provide work slots or work activity for ABAWDs exhausting their time limit. While the state confirmed they are reaching out to community organizations to develop training sites, ABAWDs in areas with “few resources” will have options as allowed under federal statute such as comparable work activity, but will be randomized in the state’s new SNAP E & T Pilot Program, which provides funds for education and training expenses, instead of being prioritized.

Notice and Communication about the Time Limit

Anti-hunger advocates recognize the complexity of properly implementing the ABAWD time limit policy. The most direct ease to the increased administrative burden is through utilizing available policy tools such as waivers, exemptions and E & T grants. Given the state’s decision to leave those options on the table, creating clear and accurate notifications to individuals subject to the time limit can prevent incorrect terminations of benefits, which acts only to increase hunger and increase the MDHS’s error rates.

Much of the formal notice provided to ABAWDs has acted more to recite federal policy than to clarify what young, unemployed adults are facing with accessible language. Additionally, the MDHS confirmed via MCJ’s PRA request that SNAP households subject to the time limit were not contacted until the months of October and November 2015. In fact, the official training for county MDHS offices occurred over the first two weeks of November 2015. While an effort to provide proper notification for recipients and county MDHS employees

was made prior to the effective date of the time limit (January 1, 2016), the timing of such notice provided very little lead time to county MDHS offices and recipients to attempt to plan for work or work-related exemptions.

Even though direct service providers such as food banks, food pantries and non-profit SNAP outreach workers will be greatly impacted by the 3 month time limit, and indeed their services stretched to the absolute maximum, the MDHS did not contact such organizations ahead of the policy change, despite the fact the agency maintains a comprehensive contact list for these organizations.²⁶

The state did confirm via MCJ's PRA request that any notices of approval or adverse action for SNAP recipients would include information on the time limit and qualifying work activities. The state also confirmed that steps are being taken to get materials translated and to get a review of the accuracy of wording.

Economic Impact of Re-imposing the ABAWD Time Limit

While many of the benefits of SNAP are experienced at the household level, the program more broadly serves as a key component of the state economy. This is particularly true in a state like Mississippi, where more than 1 in 5 people live under the poverty level. SNAP is an economic boost in areas of chronic joblessness.

For those who have experienced job searches in a distressed local economy, three months is often not an adequate amount of time to line up permanent employment, particularly full-time. When attempting to gain employment, stress of not knowing where the next meal will come from can easily deter progress.

SNAP is a crucial driver of Mississippi's economy. In state fiscal year 2015, the aggregate benefit value of SNAP was nearly \$920 million. These benefits support hundreds of SNAP-authorized retailers, many of which are neighborhood grocery stores already operating with limited revenue in distressed local economies. Often, such establishments serve as the sole source of fresh food in some of Mississippi's most food insecure counties.

Allowing the ABAWD time limit waiver to expire and refusing to take any other mitigating actions will result in a significant negative economic impact at every level of the economy in Mississippi. Among most ABAWDs, a high rate of joblessness in the areas they live will decrease the likelihood that earnings from a new job will replace a sudden loss of SNAP revenue.

For the average ABAWD in Mississippi, the monthly benefit is \$153, based on calculations provided by the Center on Budget and Policy Priorities (CBPP).²⁷

To frame the *potential* economic impact at the local level, in Washington County, the MDHS estimates that 2,716 individuals will be limited to 3 months of SNAP benefits in a 36-month period. Using a conservative estimate for the average monthly benefit level of ABAWDs, these potential cuts in the SNAP caseload mean that at least **\$407,400 (2,716 X \$150) in potential revenue for grocery and food retailers will drain from the economy in Washington County on a monthly basis.** The county's total monthly benefit level in June of 2015 was \$2,639,428. Not only does this potential monthly loss present a devastating scenario for a young, unemployed person struggling to put food on the table, it also accounts for 15% of the county's total SNAP benefit level. This loss not only limits access to a critical human need for thousands of unemployed adults in Washington County, it also strains the bottom line for local proprietors.

If depressed economic conditions do not provide work opportunities for individuals to be exempt from the time limit, then the monthly loss in Washington County could result in a cumulative economic drain of millions in SNAP revenue in just one year.

Meeting that exemption through work activity in Washington County will be out of reach for many who already face the adversity of being born in one of the country's poorest and least economically mobile counties. Since the state began seeking a waiver from the rule in 2006, unemployment in Washington County has increased 4 percentage points to 13.4% in 2014 and the latest data show 37.5% of persons are under poverty.²⁸

The economic impact from the reinstitution of the time limit will set in abruptly and the negative economic effects will begin in 2016. **The potential amount of lost SNAP benefits each month totals \$8.1 million statewide.**

SNAP expenditures have been shown to generate revenue during economic downturn. The Food Assistance National Input-Output Multiplier (FANIOM) shows that every \$5 in new SNAP benefits generates almost \$9 in economic activity.²⁹ If we consider the broad economic impacts of the major loss of SNAP benefits for tens of thousands of Mississippians, the impact extends well beyond the value of lost benefits, including job loss and reduced tax revenue.

Anti-hunger advocates in Mississippi work hard to help young, unemployed adults transition out of SNAP and into full-time, quality jobs. Indeed, many support and actively create work incentives for receiving SNAP. Allowing such an abrupt and massive loss of critical food assistance works against efforts to reduce hunger and to facilitate stable employment. Allowing the time limit to go back into effect will only further complicate an unemployed adult's efforts to gain employment and to work out of SNAP.

Table 1. Potential Monthly Economic Impact of the ABAWD Time Limit

County	Number of ABAWDs Subject to Time Limit	Potential Monthly Loss in SNAP Benefits
Adams	689	\$103,350
Alcorn	461	\$69,150
Amite	208	\$31,200
Attala	312	\$46,800
Benton	130	\$19,500
Bolivar	1224	\$183,600
Calhoun	232	\$34,800
Carroll	147	\$22,050
Chickasaw	140	\$21,000
Choctaw	210	\$31,500
Claiborne	778	\$116,700
Clarke	300	\$45,000
Clay	783	\$117,450
Coahoma	1459	\$218,850
Copiah	812	\$121,800
Covington	358	\$53,700
DeSoto	1224	\$183,600
Forest	1327	\$199,050
Franklin	127	\$19,050
George	466	\$69,900
Greene	231	\$34,650
Grenada	348	\$52,200
Hancock	843	\$126,450
Harrison	4240	\$636,000

Hinds	2339	\$350,850
Holmes	869	\$130,350
Humphreys	414	\$62,100
Issaquena	30	\$4,500
Itawamba	239	\$35,850
Jackson	2660	\$399,000
Jasper	304	\$45,600
Jefferson	308	\$46,200
Jefferson Davis	319	\$47,850
Jones	757	\$113,550
Kemper	229	\$34,350
Lafayette	291	\$43,650
Lamar	531	\$79,650
Lauderdale	1602	\$240,300
Lawrence	300	\$45,000
Leake	312	\$46,800
Lee	805	\$120,750
Leflore	1597	\$239,550
Lincoln	630	\$94,500
Lowndes	1493	\$223,950
Madison	864	\$129,600
Marion	452	\$67,800
Marshall	664	\$99,600
Monroe	394	\$59,100
Montgomery	206	\$30,900
Neshoba	603	\$90,450
Newton	334	\$50,100
Noxubee	666	\$99,900
Oktibbeha	735	\$110,250
Panola	827	\$124,050
Pearl River	920	\$138,000
Perry	204	\$30,600
Pike	970	\$145,500
Pontotoc	242	\$36,300
Prentiss	305	\$45,750
Quitman	314	\$47,100
Rankin	917	\$137,550
Scott	463	\$69,450

Sharkey	272	\$40,800
Simpson	366	\$54,900
Smith	183	\$27,450
Stone	303	\$45,450
Sunflower	1259	\$188,850
Tallahatchie	253	\$37,950
Tate	348	\$52,200
Tippah	126	\$18,900
Tishomingo	103	\$15,450
Tunica	507	\$76,050
Union	201	\$30,150
Walthall	228	\$34,200
Warren	1228	\$184,200
Washington	2716	\$407,400
Wayne	569	\$85,350
Webster	207	\$31,050
Wilkinson	289	\$43,350
Winston	442	\$66,300
Yalabusha	300	\$45,000
Yazoo	1026	\$153,900
Total	54084	\$8,112,600

*Calculations in Table 1 by the Mississippi Center for Justice using data obtained via Public Records Request and monthly benefit level data provided by the Center on Budget and Policy Priorities. The total number of ABAWDs that the MDHS expects to be subject to the time limit is 55,577. Figures in the table do not account for 1,493 ABAWDs due to insufficient information provided by the MDHS regarding their county of residence. Depending on where these ABAWDs reside, the potential SNAP benefit loss may be subject to a higher county-level and aggregate amount.

Conclusion

Mississippi's food assistance safety net is the most critical tool in preventing food insecurity from continuing its upward trend. The 2016 Legislative Session in Mississippi can provide opportunities for lawmakers to consider policy solutions to mitigate the massive impact of food assistance cuts. It is important, however, that the legislature refrain from passing measures that would make the burden on SNAP recipients even greater, as in passing an outright ban on MDHS's ability to apply for federal waivers.

Two years into Minnesota's reinstitution of the time limit, 48,000 childless adults had been terminated from SNAP and thrown into chaotic circumstances. Under continued pressure from anti-hunger advocates, the state ended up supporting the formation of an ABAWD task force in February of 2015 to take action to reverse the dramatic impact resulting from the time limit. Mississippi can learn from Minnesota's experience and avoid having to go back to change policy by choosing the correct strategies now.

While SNAP in Mississippi has achieved wide reach, the number of people under the poverty level is still higher than the number of people receiving SNAP. Turning down the waiver option, not utilizing 15% exemptions for strategic investments to extend benefits in high unemployment areas and not using SNAP E & T funds to create work opportunities specifically for ABAWDs will result in cuts to the SNAP rolls, increased hunger, increased administrative burdens and a statewide economic drain from a major industry.

To Contact the Author of this report, send an email to:
Matt Williams, mwilliams@mscenterforjustice.org

Appendix.

Unemployment Rates and Percentage Point Change, Selected Years

	2006	2014	Change
Adams County, MS	6.8	8.5	1.7
Alcorn County, MS	7.2	6.8	-0.4
Amite County, MS	6.1	8.2	2.1
Attala County, MS	7.7	9.3	1.6
Benton County, MS	8.9	9.4	0.5
Bolivar County, MS	8.2	10.1	1.9
Calhoun County, MS	7.6	8.0	0.4
Carroll County, MS	5.8	9.4	3.6
Chickasaw County, MS	8.7	10.2	1.5
Choctaw County, MS	7.4	8.6	1.2
Claiborne County, MS	10.7	15.0	4.3
Clarke County, MS	6.1	9.3	3.2
Clay County, MS	10.7	14.1	3.4
Coahoma County, MS	9.3	12.4	3.1

Copiah County, MS	6.8	9.0	2.2
Covington County, MS	5.6	6.7	1.1
DeSoto County, MS	4.0	5.4	1.4
Forrest County, MS	5.1	7.5	2.4
Franklin County, MS	6.6	8.5	1.9
George County, MS	9.0	8.4	-0.6
Greene County, MS	7.4	9.1	1.7
Grenada County, MS	6.3	7.4	1.1
Hancock County, MS	9.6	7.4	-2.2
Harrison County, MS	10.0	7.0	-3
Hinds County, MS	5.6	7.4	1.8
Holmes County, MS	10.2	15.8	5.6
Humphreys County, MS	8.9	17.0	8.1
Issaquena County, MS	9.6	18.4	8.8
Itawamba County, MS	6.3	7.4	1.1
Jackson County, MS	7.8	8.3	0.5
Jasper County, MS	5.8	8.7	2.9
Jefferson County, MS	12.3	16.6	4.3
Jefferson Davis County, MS	7.4	10.6	3.2
Jones County, MS	4.6	6.3	1.7
Kemper County, MS	8.2	13.4	5.2
Lafayette County, MS	4.5	6.2	1.7
Lamar County, MS	4.1	5.2	1.1
Lauderdale County, MS	6.2	7.9	1.7
Lawrence County, MS	7.4	8.7	1.3
Leake County, MS	6.7	7.4	0.7
Lee County, MS	5.9	7.7	1.8
Leflore County, MS	8.4	13.3	4.9
Lincoln County, MS	5.9	6.8	0.9
Lowndes County, MS	6.6	9.3	2.7
Madison County, MS	4.5	5.4	0.9
Marion County, MS	6.3	8.7	2.4
Marshall County, MS	7.6	8.9	1.3
Monroe County, MS	8.6	10.6	2
Montgomery County, MS	8.9	9.7	0.8
Neshoba County, MS	4.9	6.8	1.9

Newton County, MS	5.6	6.7	1.1
Noxubee County, MS	11.3	13.4	2.1
Oktibbeha County, MS	5.6	7.5	1.9
Panola County, MS	7.6	11.0	3.4
Pearl River County, MS	6.6	6.9	0.3
Perry County, MS	6.6	9.2	2.6
Pike County, MS	6.5	8.5	2
Pontotoc County, MS	5.8	7.0	1.2
Prentiss County, MS	7.0	7.9	0.9
Quitman County, MS	8.2	13.5	5.3
Rankin County, MS	4.0	4.7	0.7
Scott County, MS	5.2	5.6	0.4
Sharkey County, MS	9.2	11.7	2.5
Simpson County, MS	5.5	6.5	1
Smith County, MS	5.4	6.0	0.6
Stone County, MS	7.4	8.6	1.2
Sunflower County, MS	9.1	13.3	4.2
Tallahatchie County, MS	7.4	9.8	2.4
Tate County, MS	6.5	8.8	2.3
Tippah County, MS	6.7	8.5	1.8
Tishomingo County, MS	7.1	7.9	0.8
Tunica County, MS	8.1	12.3	4.2
Union County, MS	5.9	6.4	0.5
Walthall County, MS	6.4	9.7	3.3
Warren County, MS	5.8	8.1	2.3
Washington County, MS	9.4	13.4	4
Wayne County, MS	6.0	9.2	3.2
Webster County, MS	8.0	9.2	1.2
Wilkinson County, MS	7.9	11.6	3.7
Winston County, MS	6.7	10.6	3.9
Yalobusha County, MS	7.5	9.8	2.3
Yazoo County, MS	8.3	10.5	2.2

ABAWD Data as Provided by the MDHS to MCJ

County	Total ABAWDs	Meet an Exemption	Subject to Time Limit	% Subject to Time Limit
Adams	895	206	689	76.98%
Alcorn	586	124	461	78.67%
Amite	233	25	208	89.27%
Attala	391	78	312	79.80%
Benton	230	100	130	56.52%
Bolivar	1679	454	1224	72.90%
Calhoun	248	16	232	93.55%
Carroll	182	35	147	80.77%
Chickasaw	175	35	140	80.00%
Choctaw	282	72	210	74.47%
Claiborne	951	173	778	81.81%
Clarke	391	90	300	76.73%
Clay	979	196	783	79.98%
Coahoma	1869	410	1459	78.06%
Copiah	901	89	812	90.12%
Covington	413	55	358	86.68%
DeSoto	1703	479	1224	71.87%
Forest	2101	773	1327	63.16%
Franklin	142	15	127	89.44%
George	600	134	466	77.67%
Greene	272	41	231	84.93%
Grenada	456	108	348	76.32%
Hancock	899	56	843	93.77%
Harrison	5797	1556	4240	73.14%
Hinds	11022	8682	2339	21.22%
Holmes	1023	154	869	84.95%
Humphreys	740	326	414	55.95%
Issaquena	38	8	30	78.95%
Itawamba	312	73	239	76.60%
Jackson	3252	592	2660	81.80%
Jasper	436	132	304	69.72%
Jefferson	368	60	308	83.70%
Jefferson Davis	431	112	319	74.01%

Jones	980	223	757	77.24%
Kemper	261	32	229	87.74%
Lafayette	708	417	291	41.10%
Lamar	807	276	531	65.80%
Lauderdale	2014	411	1602	79.54%
Lawrence	371	71	300	80.86%
Leake	396	83	312	78.79%
Lee	2097	1291	805	38.39%
Leflore	1778	181	1597	89.82%
Lincoln	775	145	630	81.29%
Lowndes	2076	583	1493	71.92%
Madison	1407	543	864	61.41%
Marion	540	87	452	83.70%
Marshall	943	279	664	70.41%
Monroe	470	76	394	83.83%
Montgomery	275	69	206	74.91%
Neshoba	763	160	603	79.03%
Newton	405	71	334	82.47%
Noxubee	779	112	666	85.49%
Oktibbeha	1536	801	735	47.85%
Panola	1006	178	827	82.21%
Pearl River	1132	212	920	81.27%
Perry	251	47	204	81.27%
Pike	1306	334	970	74.27%
Pontotoc	320	78	242	75.63%
Prentiss	382	77	305	79.84%
Quitman	458	144	314	68.56%
Rankin	1212	295	917	75.66%
Scott	555	91	463	83.42%
Sharkey	320	48	272	85.00%
Simpson	425	59	366	86.12%
Smith	204	21	183	89.71%
Stone	394	91	303	76.90%
Sunflower	1527	268	1259	82.45%
Tallahatchie	293	39	253	86.35%
Tate	506	158	348	68.77%
Tippah	284	158	126	44.37%

Tishomingo	132	29	103	78.03%
Tunica	754	247	507	67.24%
Union	254	52	201	79.13%
Walthall	286	58	228	79.72%
Warren	1992	764	1228	61.65%
Washington	3676	960	2716	73.88%
Wayne	631	62	569	90.17%
Webster	242	35	207	85.54%
Wilkinson	392	103	289	73.72%
Winston	553	111	442	79.93%
Yalobusha	347	47	300	86.46%
Yazoo	1188	161	1026	86.36%
Total	80400	26297	54084	

Endnotes

¹ This policy change was confirmed through a Mississippi Center for Justice Public Records Act Request to the Mississippi Department of Human Services in November of 2015. Written explanations and documents provided by the state are used as primary source material throughout this report.

² See Code of Federal Regulations, 7 C.F.R. §273.24.

³ Ibid.

⁴ Mississippi Center for Justice Public Records Act Request to the Mississippi Department of Human Services (2015).

⁵ See, for instance, Minnesota's ABAWD Task Force, formed in February of 2015.

⁶ Mississippi Department of Human Services, State Fiscal Year 2015 Annual Report.

⁷ See United States Department of Agriculture, "Supplemental Assistance Program Eligibility," <http://www.fns.usda.gov/snap/eligibility>.

⁸ Center on Budget and Policy Priorities, "Approximately 1 Million Unemployed Childless Adults Will Lose SNAP Benefits in 2016 as State Waivers Expire," (2015).

⁹ Ibid.

¹⁰ See Marian Wright Edelman, "Still Hungry in America," *Huffington Post* (2012), http://www.huffingtonpost.com/marian-wright-edelman/hunger-in-america_b_1269450.html.

¹¹ Coleman-Jensen, et al., "Household Food Insecurity in the United States in 2014," *United States Department of Agriculture* (2015), <http://www.ers.usda.gov/media/1896841/err194.pdf>.

¹² United States Department of Agriculture, "Official USDA Food Plans, November 2015", <http://www.cnpp.usda.gov/sites/default/files/CostofFoodNov2015.pdf>.

¹³ Coleman-Jensen, et al., (2015).

¹⁴ See, “The Long Term Benefits of the Supplemental Nutrition Assistance Program (SNAP)”, *The Executive Office of the President of the United States* (2015), https://www.whitehouse.gov/sites/whitehouse.gov/files/documents/SNAP_report_final_nonembargo.pdf.

¹⁵ CBPP, (2015).

¹⁶ All map data obtained via MCJ PRA request to MDHS. Jessica Shappley with Hope Policy Institute graciously created the maps presented in this report.

¹⁷ See the Mississippi Department of Employment Security Labor Market Information.

¹⁸ Associated Press, “Report: Mississippi Economy was in Recession in 2013 and 2014,” *Mississippi Business Journal* (June 2015), <http://msbusiness.com/2015/06/mississippi-1-of-2-states-where-economy-shrank-in-2014/>.

¹⁹ Local Area Unemployment Statistics, *Bureau of Labor Statistics*, Annual Averages for Mississippi.

²⁰ See Anita Lee, “Mississippi Coast Posts Nation’s Highest Construction Job-Loss,” *The Sun Herald* (December 2015), <http://www.sunherald.com/news/business/article52113125.html>.

²¹ MCJ PRA request to MDHS (2015).

²² See, “State Activity Report Fiscal Year 2014,” *USDA Food and Nutrition Service*, (2015), <http://www.fns.usda.gov/sites/default/files/FY14%20State%20Activity%20Report.pdf>. Mississippi’s total administrative costs for SNAP in FY 2014 was \$44.5 million of which Mississippi’s share was \$23.5 million.

²³ See David Super, Esq., Professor of Law, Georgetown University, “Implementing the Three-Month Time Limit On SNAP for Unemployed 18- to 49-year-olds,” *Center for Civil Justice* (2015).

²⁴ USDA Food and Nutrition Service Memorandum, “ABAWD Time Limit Policy and Program Access”, (November 19, 2015), <http://www.fns.usda.gov/sites/default/files/snap/ABAWD-Time-Limit-Policy-and-Program-Access-Memo-Nov2015.pdf> .

²⁵ MCJ PRA Request to MDHS (2015).

²⁶ Ibid.

²⁷ While the state per person monthly benefit level in SFY 2015 was \$119 according to the MDHS, ABAWDs are typically living under extreme poverty. CBPP provided Mississippi-specific estimates of the ABAWD average monthly benefit level and calculated the average benefit at \$153 per ABAWD. However, to use a conservative estimate, monthly economic impact figures cited in the report assume \$150 as the average ABAWD benefit level. CBPP’s monthly estimate reflects the average benefit per person in households with ABAWDs in Mississippi (2016 estimate: ARRA removed for October 2013, adjusted for change in TFP).

²⁸ Local Area Unemployment Statistics, Bureau of Labor Statistics and U.S. Census Bureau, American Community Survey 2010-2014 5-year estimates.

²⁹ See USDA, “Supplemental Nutrition Assistance Program (SNAP) Linkages with the General Economy,” [http://www.ers.usda.gov/topics/food-nutrition-assistance/supplemental-nutrition-assistance-program-\(snap\)/economic-linkages.aspx](http://www.ers.usda.gov/topics/food-nutrition-assistance/supplemental-nutrition-assistance-program-(snap)/economic-linkages.aspx).