

Memo

The House Appropriations Committee (D)

TO: House Democratic Members and Interested Parties

FROM: **Rep. Joseph Markosek, Chairman**

SUBJECT: **DPW Moves Ahead with Imposing Unnecessary Asset Test Using Revised Limits for Supplemental Nutrition Assistance Program (SNAP)**

DATE: February 2, 2012

Yesterday, Feb. 1, the Department of Public Welfare (DPW) submitted a final plan to the federal government to impose a **new and unnecessary asset test** to determine eligibility for Supplemental Nutrition Assistance Program (SNAP) benefits — formerly known as food stamps. ([Read DPW news release](#))

While the federal government is encouraging states to expand participation in SNAP during the ongoing economic recovery, DPW is taking action that will:

- **Not result in any savings or increase costs** to the commonwealth or the federal government when administering the program.
- **Not reduce waste, fraud or abuse.**
- **Reduce the number of Pennsylvanians eligible for SNAP benefits.**

DPW's unnecessary plan to consider assets in eligibility determinations was not solicited by the federal government which pays 100 percent of SNAP benefits. This asset test for SNAP will not result in any savings to the commonwealth or the federal government when administering the program because caseworkers already collect asset information for all SNAP applicants and the number of applicants will not be reduced. Since 2008, the asset information collected has not been considered when determining eligibility.

Just because it is cost-neutral does not justify this attack on people struggling to put food on their table during the economic recovery.

DPW's revision to its **unnecessary implementation of the asset test** starting May 1 increases asset limits to \$9,000 for households with older Pennsylvanians (age 60 and above) or individuals with disabilities and \$5,500 for all other households (age 59 and under).

Under DPW's plan, when a current recipient undergoes their next semi-annual renewal, the asset test will be applied using the information already on file. The asset information collected for new applicants now will be considered when determining their initial eligibility.

Personal assets including clothing, jewelry and burial plots are among the exceptions ([Read other exceptions](#)) to the asset test as outlined in Pennsylvania's SNAP Handbook ([Read the handbook](#)). According to DPW, only 13 other states apply asset testing in SNAP eligibility determinations. Of those 13 states, only Nebraska would have higher asset limits than the commonwealth.

Currently, more than 1.8 million Pennsylvanians in all 67 counties receive SNAP benefits. SNAP benefits provide a \$2.5 billion boost to local economies across the state each year.

Background

On Dec. 28, DPW sent a letter to the Food and Nutrition Service (FNS) under the U.S. Department of Agriculture (USDA) stating that Pennsylvania would be “modifying components of its option to expand categorical eligibility” in SNAP. According to the Dec. 28 letter, to qualify for SNAP benefits, elderly residents or households of people with disabilities could not have more than \$3,250 of countable assets and all other households could not have more than \$2,000 of countable assets.

Since 2008, with the approval of the federal government, Pennsylvania has not counted assets when determining eligibility for SNAP. In 2012 income eligibility under the Corbett administration remains at 160 percent of the federal poverty level (\$36,880 for a family of four) for general households or 200 percent of the federal poverty level (\$46,100 for a family of four) for households with an elderly resident or person with disabilities.

Implementing this new asset test will not necessarily reduce waste, fraud or abuse, but it will likely reduce the basic necessities for Pennsylvania’s neediest residents as they struggle to recover from the great recession.

The House Appropriations Committee (D) will continue to monitor this unnecessary policy decision. For more information on SNAP, please see “[Supplemental Nutrition Assistance Program: Fast Facts](#)” online.