Via Federal eRulemaking Portal (www.regulations.gov)

Program Design Branch
Program Development Division
Food and Nutrition Service
U.S. Department of Agriculture
3101 Park Center Drive
Alexandria, Virginia 22302

Re: Docket ID Number [FNS-2018-0037], Revision of Categorical Eligibility in the Supplemental Nutrition Assistance Program (SNAP)

To Whom It May Concern:

On behalf of the University of California (UC), we write in opposition to the U.S. Department of Agriculture’s (USDA) proposed rule (Docket No. FNS-2018-0037) that would revise the definition of categorical eligibility in the Supplemental Nutrition Assistance Program (SNAP). This proposal will decrease the number of children and families that qualify for SNAP – referred to as ‘CalFresh’ in California. It is estimated that 500,000 children who currently participate in the school meal program nationally will lose that benefit – which could also lead to those students losing access to SNAP-Ed programming. For the past two decades, categorical eligibility policy has allowed states to modestly raise SNAP income eligibility limits above 130 percent of the federal poverty level when low-income households have difficulty meeting basic needs for food, because these households have to pay for housing or child care expenses that represent a considerable portion of their income. The current policy also lets states adopt less restrictive asset tests for SNAP so that households can have modest savings without losing food benefits. By the USDA’s own count, as many as 3.1 million low-income individuals nationally would lose access to SNAP benefits if this proposed rule is implemented.¹ Loss of SNAP benefits would be particularly harmful to California as it is one of the 10 states with the highest cost of living.² California and a majority of other states use the flexibility allowed by categorical eligibility to help low-wage working families, students, seniors, and people with disabilities – individuals who face higher costs of living or are working to generate very modest savings – to be more financially secure, and to continue to put food on the table.

While the University supports USDA’s Food and Nutrition Services’ mission to move families towards economic self-sufficiency, we are concerned that the proposed rule will have the opposite effect and reduce their ability to become self-sufficient. Losing the flexibility offered to states to determine SNAP

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² Council for Community and Economic Research. 2018 Annual Average Cost of Living Index.
eligibility will reduce the ability of low-income households to deal with fluctuations in income, avoid debt, save money and prepare for unanticipated financial needs. Thus, the University is concerned that the proposed rule will increase food insecurity and health care costs for currently-eligible SNAP participants and make it harder for working families and students to become self-sufficient. An estimated 3,545 UC students qualify for SNAP under categorical eligibility and are currently benefiting from the program’s federal food help.

The proposed rule will cause harm to college students. Recent studies demonstrate that food insecurity is all too prevalent among college and university students across the nation³ – over 40 percent of UC students have indicated experiencing food insecurity.⁴ UC has developed strategies to address this problem, including promoting awareness among students, some of whom have dependent parents or children, that they may be eligible to receive SNAP benefits. UC is concerned that the proposed rule, if finalized, will result in students losing SNAP benefits, even though they would have been eligible to receive benefits under the current regulations that allow them to certify if they are eligible for Federal Work-Study or Cal Grant participation. This is especially important for student parents who make up one-fifth of U.S. college undergraduates and are among the 40 percent who have participated in federal food assistance programs, with 25 percent having received SNAP benefits.⁵

A hallmark of the University’s 10-campus system, including the medical centers, laboratories, and cooperative extension, is the excellence with which it teaches and mentors students who are the next generation of leaders. We cannot achieve this goal, however, if students are hungry rather than ready to learn. Adequate nutrition is indispensable to academic performance and mental health – including in young adults who, in the face of food insecurity, take longer to graduate, have poorer grades, higher obesity risk and poor mental and physical health – all of which could contribute to dropping out of school.⁶

SNAP has been shown to reduce poverty and food insecurity, and to reduce participants’ health care spending, as well as improve economic self-sufficiency and health outcomes for adults who benefitted from SNAP as children. In fact, according to the Center on Budget and Policy Priorities, in 2012, SNAP lifted 4.9 million children out of poverty, of whom 2.1 million were experiencing deep poverty.⁷ Research at UC San Francisco showed a savings of $1,400 annually in health care costs for SNAP participants as compared to similarly situated non-participants.⁸ Because SNAP – and healthy nutrition generally – has been shown to be linked to better dietary intakes, health, academic performance, improved school attendance, and acquisition of the skills necessary for a healthy and productive life, loss of SNAP benefits would undermine each of these important objectives.

The proposed rule may harm the food system from growers to grocers by reducing SNAP eligibility and therefore overall SNAP participation. In California alone, it is estimated that more than 250,000

participants would no longer be eligible to qualify for CalFresh benefits, which would translate into nearly $400 million annually in losses to California’s economy. This money, for the most part, is spent locally and often returned to parts of the state that are economically more vulnerable. In addition, as the leading agricultural producing state in the nation, California will feel the loss of demand from other states’ SNAP participants for California crops and food products.

We are also concerned that the proposed rule will cause harm to prospective students of the University by reducing access to school meal programs in addition to SNAP benefits. Approximately 37 percent of incoming UC students come from low-income families. It is a requirement that for children to receive free or reduced-price school meals, their families must be enrolled in SNAP, or certain other means-tested government programs, or meet household income eligibility thresholds, or the student attends a school providing free and reduced price meals to all students based on the income levels and participation in SNAP or certain other means-tested programs by the families of students attending a school. As the proposed rule would remove one of the primary criteria establishing tens of thousands of California children from SNAP eligibility, it would in turn remove their access to these free or reduced-price school meals. Under the proposed rule, as a result of the changes to categorical eligibility, schools would also likely have a more difficult time establishing eligibility to offer free or reduced school meals to all students. School meals are not only nutritionally sound, but also increase attendance and academic success among schoolchildren. Many incoming university students will not be as prepared to succeed when they arrive on campus due to the additional barriers imposed by the proposed rule.

For all the reasons mentioned above, the University of California respectfully recommends that the proposed rule be withdrawn. While the intent of the proposed rule is to encourage self-sufficiency and program integrity, we believe it will hinder rather than help SNAP participants in becoming self-sufficient. Implementing this rule will increase food insecurity and health care costs among families, seniors, children, college students, student parents, and persons with disabilities. It will hurt the agricultural economy from growers to grocers and could potentially hurt national productivity by increasing future reliance on federal assistance programs.

Sincerely,

[Signatures]

Janet Napolitano
President
University of California

Glenda Humiston
Vice President
University of California
Division of Agriculture and Natural Resources

cc: U.S. Secretary of Agriculture, Sonny Perdue
UC Federal Government Relations Associate Vice President, Chris Harrington