



SOCIAL ACTION LINKING TOGETHER

The justice of a society can be measured by how the most vulnerable are faring and treated.

Eliminating the Asset Limit for SNAP Fact Sheet

We urge all legislators to support Bills and Budget Amendment Item #___ **Eliminating the Asset Limit for SNAP**. We expect the bill to be referred to the Committee on Rehabilitation and Social Services. A *BILL to amend and reenact § 63.2-801 of the Code of Virginia, relating to food stamp program; categorical eligibility.*

Because the SNAP (**Supplemental Nutrition Assistance Program**) benefits are fully federally funded, abolishing the asset limit for SNAP is of NO cost for the state for the benefit funding. Also, this would reduce administration costs. Our proposal eschews the federally required liquid asset limit and does the right thing by tracking what other states are doing.

Regarding **Asset Limits**, Virginia is one of eight states that has eliminated the asset limit under TANF (**Temporary Assistance for Needy Families**), but not done so under SNAP. Virginia eliminated the asset test for TANF in 2006. Also, we do not have an asset limit for our Low-Income Home Energy Assistance Program--neither do 38 other states.

We do have an asset limit for SNAP benefits; Virginia is one of 16 states to have such a limit. The limit is federally based (except for the broad-based categorical eligibility method). The limit is \$2,250, unless the household includes someone 60 years of age or older, or a person with a disability living in the household; in the case of a disabled person in the household, the asset limit is \$3,250. Only liquid assets are counted. Vehicles are exempt.

While the \$2,250 amount for Virginia may seem to be a reasonable asset test/limit for receiving SNAP benefits, it is unjustifiably low, especially if someone requires a car for transportation in keeping a job or finding a job.

While SNAP benefits are 100% fully federally funded, the administrative costs for the program are 50% federally funded. In Virginia, a portion of the non-federal share of the cost is passed on to localities. The state's share of the administrative costs is 34.5%; the locality's share is 15.5%.

The Virginia Department of Social Services estimates the total cost for additional staff, following asset test elimination for all cases, to be a total of \$2,882,405. The VA State estimated cost would be \$994,429

Therefore, because SNAP is a federally funded program, requiring no state general funds for actual benefit provided, making the assets limit test more uniform is a fiscally responsible and common sense approach in attaining the goal of reducing hunger in Virginia communities. This change would take significant pressure off community food banks struggling to meet and keep up with the growing needs of the impoverished. This change helps to address the growing concern regarding Child Hunger that has been widely publicized, and it puts Virginia on the right side of history in the battle against hunger.