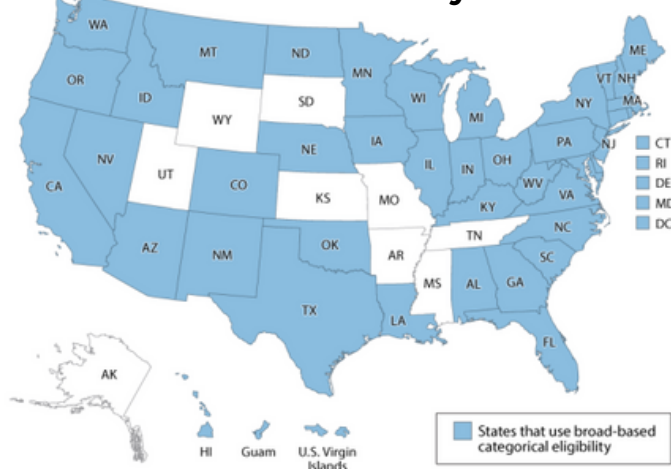


A State Option to Support Low-Income Working Alaskan Families

Alaska has an opportunity to help put food on the table for low-income working families and seniors.

This state option under the Supplemental Nutrition Assistance Program (SNAP) is proven to increase efficiency of application processing and is effective at supporting working Alaskans and seniors on fixed incomes. Most states are already taking advantage of this option, known as Broad-Based Categorical Eligibility (BBCE), demonstrating the appeal and success of its implementation.

States Opting for SNAP BBCE as of January 2022



Source: Congressional Research Service (CRS), based on data from the U.S. Department of Agriculture, as of January 2022.

Note: Some states implement "narrow" categorical eligibility. Without a reliable data source for "narrow," this map only reflects those opting for broad-based categorical eligibility.

Why is BBCE right for Alaska?

There are several key reasons why adopting BBCE is right for Alaska...



It helps working families by eliminating a "benefits cliff" as their earnings rise.

BBCE allows states to phase down benefits for working families as their income rises. We often hear about SNAP clients who turn down a raise at work for fear that they will lose more benefits than their increased earnings. BBCE allows states to lift this threshold and gradually lower benefits which lets households take higher-paying work and still benefit from SNAP.



It lets low-income households save for the future. Research has shown that assets are crucial to helping families escape poverty and climb the economic ladder and asset limits send the wrong message by discouraging savings. Not only do SNAP participants need savings to obtain and retain jobs, address emergencies, and ensure they are not living paycheck-to-paycheck, but accumulating and being able to pass assets on to the next generation is a key strategy for families to escape the cycle of poverty.



It encourages SNAP participants to get and keep jobs. Raising the asset and income limit will allow SNAP participants to climb their way to financial security by allowing them to accept pay raises, gradually reduce benefits, and set aside savings for the future. Additionally, removing the asset test allows recently unemployed workers to receive benefits without having to spend down savings. This is similar to unemployment insurance which does not have an asset test to qualify.



It simplifies SNAP administration and increases State's flexibility. In addition to the benefits for SNAP participants, BBCE also has administrative benefits:

- It reduces the complexity of the SNAP application process for states and households, increasing administrative efficiency
- It reduces the risk of errors in eligibility determination
- It is a proven way of helping low-income families without costing the state anything



Alaska does not currently use BBCE

Without this option, Alaskan households are subject to the federal asset and income tests:

- **Families must earn less than 130% of the federal poverty line**, or \$2,683 per month (net) for a family of four in FY20. Families making just \$1 more per month lose their benefits.
- **Households cannot have assets (including money in the bank) exceeding \$2,250**, or \$3,500 for households with at least one elderly or disabled family member.

Broad-based Categorical Eligibility is a win for both government administrative efficiency and family economic security. This option will provide the State of Alaska with a no-cost avenue to increasing caseworker efficiency, while helping clients to become self-sufficient.

How can we implement this option in Alaska?

Under this option, households may become “categorically” eligible for SNAP if they also qualify for a non-cash Temporary Assistance for Needy Families (TANF) benefit.

- States can elect to implement less restrictive asset and/or income limits for many or all households that apply for SNAP if they receive TANF or a TANF Maintenance-of-Effort funded benefit, such as a pamphlet or an 800-number.
- Implementing this change can be a simple administrative change within the Department of Health, or a legislative change. In some states, implementation was as simple as waiving the asset questions during the application process.

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