



An Affiliate of the
Center on Budget and Policy Priorities
820 First Street NE, Suite 460
Washington, DC 20002
(202) 408-1080 Fax (202) 408-8173
www.dcfpi.org

December 20, 2011

JOB OPPORTUNITIES: DC Can Access Federal Funds to Expand Training Services Using the SNAP (Food Stamp) Program

By Ed Lazere¹

INTRODUCTION AND SUMMARY

The District could greatly expand access to employment-related education and training by taking better advantage of the employment and training component of the federal Supplemental Nutrition Assistance Program (formerly known as the food stamp program). The SNAP Employment and Training program (SNAP E&T) offers an opportunity for DC and the states to access federal funds to support workforce development efforts, but the District is not taking full advantage of this opportunity.

This policy brief provides background on the SNAP Employment and Training Program and offers recommendations for expanding it in DC. With unemployment in the District still near 11 percent, one of the highest levels in the past 30 years, efforts to expand access to education and training are extremely important.

SNAP E&T provides federal funding to cover 50 percent of the costs of a wide array of services intended to improve employment for SNAP participants, including job search assistance, GED preparation, community college tuition and materials, job skills training, counseling, and supportive services such as child care and transportation. The District and the states can receive SNAP E&T funds to support services operated by a variety of government agencies — such as the Department of Employment Services and the Department of Human Services — and also to help nonprofits expand their education and training efforts.

Because eligibility for SNAP food benefits is broad, covering many residents under 130 percent of the federal poverty level, SNAP E&T can support education and training for a large share of DC's low-income population. Under federal rules, SNAP E&T can be used to serve SNAP recipients other than those also receiving TANF cash assistance. This means that the program can serve low-income single and married adults without children, non-custodial parents, and parents caring for children if they are not on TANF. This is likely to include a large share of DC's 140,000 SNAP recipients.

¹ This policy brief is supported by a grant from the Greater Washington Workforce Development Collaborative, an initiative of The Community Foundation for the National Capital Region.

There are a number of ways in which the District may be able to take better advantage of SNAP E&T to fund education and training services. For example:

- The District appropriated \$4.6 million for adult job training in fiscal year 2012. If this new program were made part of the SNAP E&T program, the city potentially could double funding for the program to \$9.2 million by receiving \$4.6 million in federal funds (50 percent of total costs) to enhance the local funds. The District would be able to receive federal SNAP E&T funds for training participants who also receive SNAP.
- The District operates an \$11 million subsidized jobs program – the Transitional Employment Program (TEP) — which serves low-income residents who are not receiving TANF benefits. Mayor Gray made a pledge during the mayoral campaign to revamp this program. Since it is likely that many TEP recipients are receiving SNAP benefits, the District could operate the revamped TEP program in compliance with SNAP Employment and Training requirements and expand it to serve more SNAP recipients using federal funds.
- The District can identify other current education and training programs – such as literacy programs operated by the Office of the State Superintendent of Education — that meet the SNAP E&T requirement of providing a direct link to local job opportunities and a clear path to employment. Particularly if the District plans to expand local funding for any of these services, it could target SNAP participants, and then match local funding with federal SNAP E&T funds, resulting in an even larger expansion.
- The District could establish relationships with local non-profits that provide education and training services that meet the SNAP E&T guidelines. This would allow the District to pass through SNAP E&T funds to non-profits to match funds they raise for allowable training or education services for SNAP participants, enabling them to serve more people or increase the quality of services provided.

Beyond these, any efforts to create new or expanded workforce development services in the District should consider whether it would be possible to operate it as a SNAP E&T component to serve eligible SNAP participants and bring additional federal funds to enhance local efforts.

The District's Department of Human Services operates a SNAP Employment and Training Program, but it is small. The current program provides job search assistance, with transportation and child care support, to roughly 4,600 adults per year. It provides referrals to training programs, but does not fund any job training or education services, and DC does not use SNAP E&T to support the work of non-profit education and training providers. Funding for DC's SNAP E&T program, including both local and federal funds, was just \$1.5 million in 2011, and the federal share was under \$1 million.

Taking greater advantage of the SNAP Employment and Training program would require the District to take several actions, but the benefits of accessing federal funds make such actions worth taking. For example, the District would have to demonstrate that it is using federal funds to enhance workforce development services for SNAP participants and not to replace local funds. Moreover, every program that is included in SNAP E&T would have to be operated according to program rules and coordinated with the Department of Human Services, including steps to

document that program participants are eligible SNAP recipients and that participants have been referred to education and training services that are expected to improve their employability.

BACKGROUND ON SNAP EMPLOYMENT AND TRAINING

The federal SNAP Employment and Training program allows DC and states to provide a wide array of education and training services, as well as related support services, to certain residents receiving SNAP benefits (formerly known as food stamps). All services must be directly tied to preparing residents for employment, and all participants must be assessed before being referred to education or training services.

The federal government provides funding to cover half of these costs. There is no cap on the amount of matching federal funds a state can receive under this program. SNAP E&T also includes a small component that is fully federally funded, known as “100 percent funds.”

While DC and all states are required to operate a SNAP Employment and Training program, they have considerable flexibility in the design. DC and states can determine whom to target for services, where to locate training components, what services to offer, and whether to make participation mandatory or voluntary for food stamp recipients. The Food and Nutrition Services of USDA must approve the SNAP E&T plan each year and whenever changes are made to it.

Services that Can Be Funded through SNAP Employment and Training

The direct services that can be provided through SNAP E&T include literacy programs, community college classes that are tied to employment, vocational training programs, job search assistance, and subsidized jobs where a participant is placed with an employer and has some or all wages paid through the program. (See Table 1.)

To qualify for reimbursement, educational activities must have a direct link to local job opportunities and provide a prompt path to employment. SNAP E&T funds also can be used to pay for case management services or counseling services for participants in these programs. For example, the District could use SNAP E&T to pay for counselors for SNAP recipients enrolled in employment-related coursework at the Community College of the District of Columbia to help address obstacles that otherwise might limit their ability to complete their courses.

TABLE 1:

DC Can Offer a Variety of Activities under SNAP E&T

- Job search training programs
- Job search “clubs”
- Subsidized work programs
- Educational programs or activities that directly enhance employability (i.e. GED, literacy training, ESL, skills-based trainings)
- Counseling or case management
- Job retention services

TABLE 2:**Participant Expenses that are Reimbursable under SNAP ET**

Examples of Approvable Expenses	<ul style="list-style-type: none"> • Transportation to and from an employment and training (E&T) component; • Dependent care; • Clothing suitable for job interviews; • Uniforms needed to participate in an E&T component; • Licensing and bond fees for a work; experience or workfare placement in an E&T component; • Vision correction (such as eyeglasses, bifocals, eye exam); • Dental work (teeth cleaning, bridge); • Legal services; • Housing assistance; and • Counseling/case management.
---------------------------------	---

Source: USDA, FNS: Q&A Package on E&T Financial Policy

DC also can use federal SNAP E&T funds to reimburse participants for a range of supportive services that are directly related to participation in SNAP E&T. These funds can be used, for example, to reimburse participants for transportation to and from a training program, child care while in education and training, and clothing or uniforms needed while in training. (See Table 2.) SNAP E&T cannot be used, however, to cover the costs of services to address employment barriers that make the individual exempt from work registration requirements, like substance abuse treatment.

The SNAP E&T program uses several rules to ensure that DC and the states use these federal funds appropriately to meet employment and training needs of SNAP recipients. In particular, funds must be used in programs that are geared to preparing participants for work, and an assessment of each participant must be made to confirm that the program will help him or her prepare for work. The District could not claim SNAP E&T funding for tuition and fees for all SNAP recipients in GED programs, for example, since some may not be seeking a GED with employment in mind. Instead, DC could use SNAP E&T only for those participants for whom an assessment had been made that getting a GED is part of a plan to improve employability.

Who Is Eligible to Participate in Programs Funded through SNAP E&T?

SNAP Employment and Training funds can be used to serve any SNAP participant who is not also receiving TANF cash assistance.² TANF, which serves low-income families with children, has

² This is the case for SNAP E&T services that are provided as “voluntary” programs, under which SNAP recipients have the option to participate but are not required to. DC and the states also can operate “mandatory” SNAP E&T services, in which SNAP participants are required to participate and face sanctions if they do not. Federal law creates several participation exemptions for mandatory programs. This means that the pool of SNAP recipients for mandatory programs is smaller than for voluntary programs. This policy brief focuses on opportunities for the District to expand its use of voluntary programs.

an employment preparation component. Because DC and the states receive federal TANF funds that can be used for employment services, SNAP E&T is limited to non-TANF recipients.³ SNAP E&T thus can be used to serve low-income single and married adults without children, including non-custodial parents, as well as parents caring for a child who is not receiving TANF.

Yet even with this limitation, SNAP E&T can serve a large share of DC's low-income population. SNAP benefits are available to nearly all DC households that are below 130 percent of poverty – or less than \$23,000 for a family of three in 2011. Currently, more than 140,000 DC residents (including TANF families) receive SNAP assistance, and almost one-quarter of DC's low-income residents are non-elderly single adults without children.⁴ This suggests that thousands of DC's SNAP recipients may be able to participate in SNAP E&T programs.

HOW DC'S CURRENT SNAP EMPLOYMENT AND TRAINING PROGRAM WORKS

The DC Department of Human Services operates a small SNAP Employment and Training program. DC's program provides job search assistance, referrals to training programs, and help with dependent care and transportation expenses. DC's program totaled \$1.5 million in FY 2011, including \$203,000 in 100 percent federal funds, \$669,000 in federal matching funds, and \$669,000 in local funds.

Under DC's program, roughly 300 SNAP recipients are selected randomly each month to take part in SNAP E&T activities. SNAP E&T participants undergo an evaluation of their skills and needs. Program staff work with participants to design an individual plan for improving their employability. During their first two months in the program, individuals are required to participate in job search activities. During this period, SNAP E&T provides job search assistance, resume and interview training, clothing and office materials, as well as some supportive services, including transportation stipends.

If a participant is still unable to find a job after two months, SNAP E&T may refer her or him to an education or training program offered by another government agency or a non-profit organization. The District does not cover the tuition or other expenses of these activities, and it cannot guarantee that participants get into the referred programs, many of which have limited funds. DC's program also covers certain supportive services to individuals while they take part in outside training components. These supportive services typically consist of transportation and dependent care stipends and are provided for up to 12 months.

The 300 SNAP recipients assigned monthly to SNAP E&T are required to participate and are referred to as "mandatory participants." (This is discussed in more detail below.) Failure to report to participate in a required activity can result in loss of SNAP benefits for two months. Program administrators estimate that 8 percent of those assigned to participate in SNAP E&T are

³ This prohibition on TANF recipients participating in SNAP E&T is limited to families where both the parent and child are receiving TANF benefits. In families where benefits are provided only on behalf of a child – this can occur, for example, when a non-parent relative is caring for a child – then the adult can participate in services funded by SNAP E&T.

⁴ See *Who Is Low Income In DC?*, DC Fiscal Policy Institute, October 26, 2010, page 13.

noncompliant and receive sanctions. DC also allows other SNAP participants who have not been assigned to SNAP E&T recipients to participate voluntarily. These individuals cannot be sanctioned for noncompliance.

OPPORTUNITIES TO EXPAND SNAP EMPLOYMENT AND TRAINING IN THE DISTRICT OF COLUMBIA

This review suggests that the District can take fuller advantage of the SNAP Employment and Training program to support workforce development services in the city. DC's program serves only a small fraction of eligible SNAP recipients, and it does not fund any education or job training services. The city draws only a small amount of federal funding through this program.

DC can make better use of SNAP E&T in the following ways:

- **Support More District Education and Training Services:** The Department of Human Services can directly fund education and training programs that serve SNAP recipients, or DHS can partner with other DC government agencies to provide services to these residents. DHS can collaborate, for example, with the Office of the State Superintendent of Education, the agency that funds adult literacy services, and with the Department of Employment Services, which supports a number of training programs. The District also could use SNAP E&T to support enrollment in training programs offered by the Community College of the District of Columbia.
- **Support Non-Profits Engaged in Education and Training:** The District can collaborate with nonprofit education and training providers to use SNAP E&T to expand their services to serve SNAP participants.
- **Provide Supportive Services to Residents in Education or Training:** The District currently funds child care and transportation expenses for SNAP E&T participants. The District could use SNAP E&T to fund counselors to assist participants in education and training, to reimburse participants for expenses such as uniforms or other materials, and to increase the level of support for transportation and child care.

Because SNAP E&T provides federal funding that covers just half of eligible expenses, there are likely to be some challenges to providing the local share. Yet even in the District's current fiscal climate, there should be opportunities to increase use of SNAP E&T, particularly as the city moves to re-design and expand education and training programs. The District can identify education and training services currently provided by the District or by nonprofit organizations that could be designed to serve SNAP participants and incorporate them as components of SNAP E&T, allowing the District to receive 50 percent reimbursement for the expansion. For example:

- The District's 2012 budget set aside \$4.6 million for a new adult job training that will be operated through the Department of Employment Services. If all of the \$4.6 million for the new program is operated as an SNAP E&T component to serve SNAP participants, the District could expand the program to as much as \$9.2 million by receiving federal funds to cover up to half of the program's costs. If the program were not limited to SNAP recipients, the District

could create a SNAP-only component of this program and receive matching federal funds for that component.

- Other DOES programs that provide training, such as the Transitional Employment Program (TEP) could be incorporated into SNAP E&T. The program, which serves adults who are not on TANF, is funded at \$11 million per year. TEP could be operated as an SNAP E&T component, to the extent that it serves SNAP recipients. This would allow the District to expand TEP, using existing funds as the local share and using federal funds to expand services. Other DC agencies that operate education and training programs also may be suitable for expansion, by serving additional SNAP participants and matching new local funds with SNAP E&T funding.
- Similarly, the District can establish relationships with nonprofits that provide education and training to incorporate new services into the SNAP Employment and Training program. If non-profits have suitable existing programs that serve SNAP recipients, those programs can be expanded, using federal SNAP E&T funds.

ISSUES TO CONSIDER WHEN EXPANDING SNAP EMPLOYMENT AND TRAINING

There are several issues to consider as the District explores making better use of SNAP Employment and Training. Federal SNAP E&T funds cannot be used by the District or states as a cost-savings measure; funds must be used to expand access to workforce development services for SNAP participants and cannot simply be used to defray existing locally funded services. In addition, programs operated by agencies other than the Department of Human Services, as well as those operated by non-profits, must be coordinated with DHS, the city's agency responsible for SNAP E&T. A third issue relates to whether participation in the SNAP E&T program is mandatory — meaning that SNAP recipients are required to participate or face food benefit reductions — or is voluntary, under which SNAP recipients elect to participate are not subject to possible benefit reductions. In general, voluntary programs have advantages over mandatory programs.

SNAP E&T Must Be Used to Expand Workforce Development Services

The federal government has set several rules to ensure that SNAP E&T funds are used to increase access to workforce development services, rather than using the federal dollars to fund services that already exist.

For example, for educational programs in which residents pay tuition or related expenses, DC and the states cannot seek federal SNAP E&T funds beyond the costs that are charged to the general public.⁵ This means, for example, that DC cannot use SNAP E&T to cover the full costs of community college classes that are part of a SNAP participant's employment plan, but instead can only use federal funds to reimburse students for the expenses they incur for tuition, books, and other related items equal to the expenses incurred by the general public.

⁵ U.S. Department of Agriculture, Food and Nutrition Services. "Q&A Package on E&T Financial Policy." May, 2006. Pg. 2 <<http://www.fns.usda.gov/snap/rules/Memo/2006/052306.pdf>>

For programs that charge no costs to participants, as is the case for many education and training programs, SNAP E&T cannot be used if the program is currently accessible to all interested residents. In general, this means that the program must demonstrate that there is a need beyond available funding – such as a waiting list – and that the program cannot expand based on currently available funding.

In addition, SNAP E&T funds can be used to enhance locally funded workforce development programs but cannot be used to replace local funding. For example, if the Department of Human Services includes the Transitional Employment Program as a component of its SNAP E&T program, and places, after assessment, an eligible SNAP participant it could charge half the reasonable and necessary expenses to SNAP E&T. It could also use federal funds to expand the program to serve additional SNAP participants.

Coordination of Allowable Programs with the Department of Human Services

If the District chooses to coordinate a variety of workforce development programs through SNAP Employment and Training, a number of steps are needed to ensure that program rules are being met.

- All components must be included in the state SNAP E&T plan that is developed by the Department of Human Services and approved by the Food and Nutrition Services (FNS) of USDA every year. The plan can be modified at any point in the year, but must be approved by FNS.
- If the program is not administered directly by the Department of Human Services, the agency running the program must develop a Memorandum of Understanding with DHS.
- SNAP E&T funds can be secured only for SNAP recipients and only for allowable services.
- All participants in a given SNAP E&T program must have an employment plan, and the program must be approved as part of the participant’s plan for preparing fo work.

Making SNAP Employment and Training Services Voluntary

The education and training services provided under the SNAP Employment and Training program can be offered as “mandatory” or “voluntary.” Under mandatory programs, SNAP recipients are required to participate in the program or face penalties, including benefit sanctions. Federal law sets exemptions from the work registration and from mandatory participation in SNAP E&T programs, including parents, seniors and people with disabilities.⁶ DC’s current program is mandatory.

In voluntary programs, any SNAP food benefit recipients other than those receiving TANF cash assistance can participate in the program, and those who choose not to participate are not

⁶ These groups also are exempt from the SNAP program’s work registration requirement. U.S. Government Accountability Office. “Food Stamp Employment and Training Program: Better Data Needed to Understand Who Is Served and What the Program Achieves.” March 12, 2003. Pg. 5<<http://www.gao.gov/products/GAO-03-388>> For a complete list of DC and federal exemptions, see Appendix A.

sanctioned, nor are those who begin an SNAP E&T component and are unable to complete the program.

While mandatory programs may appear to have appeal, there are many reasons why it would make more sense to operate most or all of DC's SNAP E&T components as voluntary programs, as at least 16 states have done. This would be especially true if programs operated outside of the Department of Human Services — such as the new DOES adult training program or programs operated by non-profit organizations.

First, DC can serve a broader range of food stamp recipients with a voluntary program. Mandatory programs are limited to SNAP participants defined in federal law as mandatory “work registrants,” but this group makes up just 9 percent of the SNAP population nationally once exemptions are taken into account.⁷ Under voluntary programs, in contrast, any SNAP recipient who does not receive TANF and wishes to participate in the education or training program is able to do so. As noted, nearly one-fourth of DC's low-income residents are non-elderly adults without children.

Second, the administration of a mandatory program is more difficult and costly than that of a voluntary program. States that mandate employment and training (E&T) activities for work registrants must track compliance and administer sanctions as necessary. It could be very complicated if DC agencies other than DHS or nonprofit agencies were required to track program compliance and report non-compliant participants to DHS. This may reduce the ability of other agencies or nonprofits to participate in SNAP E & T. Moreover, SNAP recipients threatened with sanctions have the right to a Fair Hearing, and the cost of these hearings may not be paid for with federal SNAP E&T funds.

Third, by making its program voluntary, DC can serve the neediest individuals without imposing sanctions affecting SNAP benefits. Those who would most benefit from an E&T component often face many obstacles, including lack of transportation. Under a voluntary program, participants would not be penalized if circumstances prevent them from fully participating in an employment or training program. A more flexible program might also help participants to view SNAP E&T as an opportunity to move ahead, rather than as a task they are required to complete. It should attract more motivated participants – those who choose to participate rather than are mandated to do so.

CONCLUSION

With unemployment in the District still at an unacceptably high level, efforts to educate and train residents for jobs in the Washington metro area are extremely important. The SNAP Employment and Training program offers great promise because it allows the District to use federal funds to cover half of the costs of expanding eligible employment programs. Making better use of SNAP E&T requires the District to identify programs operated by the city and by non-profits that may be eligible, incorporating those programs into the state SNAP E&T plan, and coordinating with those partners to ensure that programs are operated consistently with SNAP E&T requirements. It is an opportunity worth pursuing.

⁷ U.S. Government Accountability Office. “Food Stamp Employment and Training Program: Better Data Needed to Understand Who Is Served and What the Program Achieves.” March 12, 2003. Pg. 5

APPENDIX A:

Federal Exemptions from SNAP Work Registration

Individuals Exempt from Work Registration	<ul style="list-style-type: none">• Under the age of 18 (unless head of household);• Over the age of 59;• Physically or mentally disabled;• Caretaker of dependent child under 6;• Employed at least 30 hours per week;• Working-age adults who are compliant with the work requirements of another program, such as TANF; and• Working-age adults who are enrolled at least part time in school or another training program.
--	---

APPENDIX B:

D.C. Exemptions from SNAP Work Registration

Individuals Exempt from Work Registration	<ul style="list-style-type: none">• Receiving benefits for 90 days or less;• Those with benefit levels under \$100;• Homeless;• Temporarily disabled or incapacitated.
--	---