



## Red Tape Reduction for Food Stamps and CalWORKS

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### » ISSUE

Advocates, administrators and applicants generally agree that red tape in California's Food Stamp Program prevents nutrition assistance from reaching families in need. The U.S. Department of Agriculture estimates that 2 million Californians are eligible for Food Stamps but not receiving them. As a result, California passes up almost \$2 billion a year in federal food stamp benefits. With too many families in California dealing with poor nutrition, we can't afford to continue to turn away these resources. California must employ the simplification strategies used in most other states to reach California's working poor with nutrition benefits.

### » NEED

Since the Food Stamp Program is a federal program, much of the complexity comes from federal law and regulation. However, the 2002 Farm Bill and recent actions by USDA have given states several options to simplify the program, including simplified reporting, which reduces the frequency of income and household status reports required from families in order to retain benefits. Almost every other state has moved to simplified reporting, which has been shown to reduce enormous paperwork burdens for recipients and administrators, reduce errors and increase participation. **California and Wyoming are the exceptions.**

In 2007, Governor Schwarzenegger himself proposed moving to simplified reporting. While there is considerable agreement on the value of simplified reporting, AB 2844 seeks to resolve the one remaining point of contention: *how much additional income can a CalWORKS recipient earn within the 6-month period in between reports before being required to report a change in her earnings?* AB 2844 establishes an income reporting threshold (IRT) which promotes work among recipients, maximizes administrative savings for the state and counties, and limits the immediate loss of benefits to families who increase their earnings from work.

### » REQUEST

CFPA requests the Legislature take the following action:

Action : <b>Simplify Reporting</b>	The Legislature shall require the state to move to a 6-month reporting system for food stamps and CalWORKS. This system shall follow federal food stamp law with the exception of an IRT for CalWORKS recipients.
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### » HISTORY

In 2002, before the federal government allowed all states to use the six-month reporting option, California policymakers adopted a quarterly reporting system. This system remains in place, making California the only state using quarterly reporting. AB 3029 in 2006 proposed to establish semi-annual reporting, but was held back in the Legislature at the request of the Governor, with the expectation that outstanding issues would be resolved. Most issues were resolved in 2007, with the exception of the CalWORKS income reporting threshold.

### » OUTCOMES

This action will reduce errors in processing cases and benefits by counties, improve participation and reduce administrative burdens and expenses.