



# The Supplemental Nutrition Assistance Program: Categorical Eligibility

**Gene Falk**

Specialist in Social Policy

**Randy Alison Aussenberg**

Analyst in Social Policy

March 2, 2012

**Congressional Research Service**

7-5700

[www.crs.gov](http://www.crs.gov)

R42054

**CRS Report for Congress**

*Prepared for Members and Committees of Congress*

## Summary

The Supplemental Nutrition Assistance Program (SNAP) provides benefits to low-income, eligible households on an electronic benefit transfer (EBT) card; benefits can then be exchanged for foods at authorized retailers. SNAP reaches a large share of low-income households. In November 2011, there were 46 million persons in 22 million households benefitting from SNAP.

Federal SNAP law provides two basic pathways for financial eligibility to the program: (1) meeting federal eligibility requirements, or (2) being automatically or “categorically” eligible for SNAP based on being eligible for or receiving benefits from other specified low-income assistance programs. Categorical eligibility eliminated the requirement that households who already met financial eligibility rules in one specified low-income program go through another financial eligibility determination in SNAP.

In its traditional form, categorical eligibility conveys SNAP eligibility through the receipt of cash assistance from Supplemental Security Income (SSI), the Temporary Assistance for Needy Families (TANF) block grant, or state-run General Assistance (GA) programs. However, since the 1996 welfare reform law, states have been able to expand categorical eligibility beyond its traditional bounds. That law created TANF to replace the Aid to Families with Dependent Children (AFDC) program, which was a traditional cash assistance program. TANF is a broad-purpose block grant that finances a wide range of social and human services. TANF gives states flexibility in meeting its goals, resulting in a wide variation of benefits and services offered among the states. SNAP allows states to convey categorical eligibility based on receipt of a TANF “benefit,” not just TANF cash welfare. This provides states with the ability to convey categorical eligibility based on a wide range of benefits and services. TANF benefits other than cash assistance typically are available to a broader range of households and at higher levels of income than are TANF cash assistance benefits.

In total, 43 jurisdictions have implemented what the U.S. Department of Agriculture (USDA) has called “broad-based” categorical eligibility. These jurisdictions generally make all households with incomes below a state-determined income threshold eligible for SNAP. States do this by providing households with a low-cost TANF-funded benefit or service such as a brochure or referral to an “800” number telephone hotline. There are varying income eligibility thresholds within states that convey “broad-based” categorical eligibility, though no state has a gross income limit above 200% of the federal poverty guidelines. In all but three of these jurisdictions, there is no asset test required for SNAP eligibility. Categorically eligible families bypass the regular SNAP asset limits. However, their net incomes (income after deductions for expenses) must still be low enough to qualify for a SNAP benefit. That is, it is possible to be categorically eligible for SNAP but have net income too high to actually receive a benefit. The exception to this is one- or two-person households that would still receive the minimum benefit.

During the decade of the 2000s, there were a number of proposals to restrict categorical eligibility based on receipt of TANF benefits. These proposals would have limited TANF-based categorical assistance to households receiving TANF-funded cash assistance. The proposal was made by the Bush Administration in its farm bill proposals and several budget submissions. It passed the House in a budget reconciliation bill in 2005 (H.R. 4241, 109<sup>th</sup> Congress) but was not part of that year’s final reconciliation package, the Deficit Reduction Act of 2005 (P.L. 109-171).

## Contents

Introduction.....	1
Regular and Categorical Eligibility for SNAP.....	1
Eligibility Through Meeting Federal Income and Resource Tests .....	1
Categorical Eligibility .....	2
Early History .....	2
The 1996 Welfare Law and TANF .....	3
What TANF Means for Categorical Eligibility .....	4
Traditional, Narrow, and Broad-Based Categorical Eligibility.....	5
Scope and Reach of Categorical Eligibility.....	5
State Practices in Providing “Broad-Based” Categorical Eligibility .....	6
Is it Possible to Determine How Many Families Are SNAP-Eligible Due Solely to Categorical Eligibility?.....	12
Proposals to Restrict Categorical Eligibility.....	12

## Figures

Figure 1. Scope of SNAP Categorical Eligibility by State: 2010 .....	6
--	---

## Tables

Table 1. SNAP Broad-Based Categorical Eligibility by State .....	8
Table A-1. Federal SNAP Monthly Income Eligibility Limits for FY2012.....	13
Table A-2. Maximum Monthly Earnings a TANF Cash Assistance Applicant Can Receive and Still Meet Initial Eligibility for Benefits for a Family of Three: July 2010 .....	14

## Appendixes

Appendix.....	13
---------------	----

## Contacts

Author Contact Information.....	15
Area of Expertise by Author .....	15

## Introduction

The Supplemental Nutrition Assistance Program (SNAP) provided food assistance to 46.3 million people in 22 million households in November 2011. The Congressional Budget Office (CBO) projects that under current law, SNAP benefits will peak at \$82 billion in FY2013 before falling beginning in FY2014, as they project the economy to improve.<sup>1</sup> SNAP participation and costs have increased markedly since FY2007, mostly as a result of automatic and legislated responses to the recession.

While much of the recent increase is attributable to the poor economy, recently states have been increasingly adopting more expansive “categorical eligibility” rules—a set of policies that make a SNAP applicant eligible based on the applicant’s involvement with other low-income assistance programs: benefits from the Temporary Assistance for Needy Families (TANF) block grant, Supplemental Security Income (SSI), and state-financed General Assistance (GA) programs. This report discusses categorical eligibility and some of the issues raised by it. It first describes the three different types of categorical eligibility: traditional categorical eligibility conveyed through receipt of need-based cash assistance, and the newer “narrow” and “broad-based” categorical eligibilities conveyed via TANF “noncash” benefits. It also provides recent information on current state practices with regard to categorical eligibility. Finally, the report discusses past proposals to restrict TANF-based categorical eligibility.

## Regular and Categorical Eligibility for SNAP

Federal law provides the basic eligibility rules for SNAP. There are two basic pathways to gain financial eligibility for SNAP: (1) having income and resources below specified levels set out in federal law; and (2) being “categorically,” or automatically, eligible based on receiving benefits from other specified low-income assistance programs.

### Eligibility Through Meeting Federal Income and Resource Tests

Under the regular federal rules, SNAP provides eligibility to households based on low income and limited assets. Households must have net income (income after specified deductions) below 100% of the federal poverty guidelines. In addition, federal rules provide that households without an elderly or disabled<sup>2</sup> member must have gross income (income before deductions) below 130% of the federal poverty guidelines (see **Table A-1**).

Additionally, the regular eligibility rules provide that a household must have liquid assets below a specified level. Under federal rules in FY2012, a household’s liquid assets must also be below \$2,000, and below \$3,250 in the case of households with an elderly or disabled member. The value of the home is excluded from this “assets test,” as are certain other forms of assets (e.g., retirement and educational savings).

---

<sup>1</sup> This figure is according to CBO’s January 2012 baseline.

<sup>2</sup> “Elderly or disabled” is defined in Section 3(j) of the Food and Nutrition Act of 2008.

Further, a portion of the value of a household's vehicles is not counted toward the asset limit (up to \$4,650 of the fair market value of a household's vehicles). However, federal law gives states the option to further exclude the value of vehicles from being counted toward the asset limit. States may elect to use the exclusion applicable for TANF assistance in their SNAP program. Under TANF, many states fully exclude the value of one vehicle. This option is separate from categorical eligibility.

## **Categorical Eligibility**

Federal law also makes households in which all members are either eligible for or receive benefits from TANF, Supplemental Security Income (SSI), and state-financed GA programs categorically, or automatically, eligible for SNAP.<sup>3</sup> These households, who have already gone through eligibility determination for those programs, bypass the income and resource tests discussed above and are deemed financially eligible.<sup>4</sup> They then have their SNAP benefits determined.

Categorically eligible households have their SNAP benefits determined under the same rules as other households. A household's SNAP benefits amount is based on the maximum benefit (which varies by household size) and its net countable income after deductions for certain expenses. While the household may be categorically eligible, its net income may be too high to actually receive a SNAP benefit. The exception is that all eligible households consisting of one or two persons are eligible for at least the minimum monthly benefit, set at \$16 in the 48 contiguous states and the District of Columbia in FY2012.

## **Early History**

Special rules providing for expedited eligibility of cash assistance recipients date back to amendments to the Food Stamp program enacted in 1971.<sup>5</sup> These rules were eliminated in the rewrite of food stamp law enacted in 1977, but they were reinstated in phases during the early 1980s through 1990.<sup>6</sup> Categorical eligibility was seen as advancing the goals of simplifying administration, easing entry to the program for eligible households, emphasizing coordination among low-income assistance programs, and reducing the potential for errors in establishing eligibility for benefits.<sup>7</sup> The Food Security Act of 1985 conveyed categorical eligibility to all

---

<sup>3</sup> Section 5(a) of the Food and Nutrition Act of 2008.

<sup>4</sup> Additionally, federal law also provides a separate rule for households where some, but not all, members receive benefits from TANF or SSI. In such households, recipients of TANF or SSI benefits are deemed to have passed the SNAP resource test. That is, the assets of household members who receive TANF, SSI, or GA are disregarded from the household's total resources when determining whether the household passes the asset test (Section 5(j) of the Food and Nutrition Act of 2008).

<sup>5</sup> Section 6 of P.L. 91-671.

<sup>6</sup> The Omnibus Budget Reconciliation Act of 1982 (P.L. 97-253) provided that a household in which all members received Aid to Families with Dependent Children (AFDC) cash assistance bypass the Food Stamp asset test (but not the income eligibility test). The Food Security Act of 1985 (P.L. 99-198) provided that households in which all members received AFDC or SSI would be automatically eligible for Food Stamps, bypassing both the income and asset tests. P.L. 99-198 made this a temporary provision that would sunset at the end of FY1998. P.L. 100-435 eliminated the sunset, making categorical eligibility a permanent feature of Food Stamp law. Categorical eligibility was extended to recipients of state-run GA programs in 1990, enacted as part of P.L. 101-624.

<sup>7</sup> U.S. Congress, House Committee on Agriculture, report to accompany H.R. 2100, 99<sup>th</sup> Cong., 1<sup>st</sup> sess., September 13, 1985, H.Rept 99-271, Part 1 (Washington: GPO, 1985), p. 142.

households receiving cash aid from Aid to Families with Dependent Children (AFDC), SSI, and state-run GA programs. These programs had their own income and resource tests (often more stringent than food stamp tests), so subjecting a household to a separate set of income and resource tests for food stamps was seen as redundant and inefficient.

## **The 1996 Welfare Law and TANF**

The current form of categorical eligibility results from the 1996 welfare reform law (the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, P.L. 104-193). That law ended AFDC, replacing it with TANF. AFDC was a traditional cash assistance program. Within some federal rules, states set AFDC eligibility and benefit amounts, but federal law established it as a cash welfare program. AFDC eligibility rules were generally more restrictive than those for food stamps, and most AFDC families also received a substantial food stamp benefit.

TANF, on the other hand, is a broad-purpose block grant that gives states broad flexibility to expend funds. The statutory purpose of TANF is to increase state flexibility to achieve four policy goals:<sup>8</sup>

1. provide assistance to needy families so that children can be cared for in their own homes or in the homes of their relatives;
2. end dependence by needy parents on government benefits through promoting work, job preparation, and marriage;
3. reduce the incidence of out-of-wedlock pregnancies; and
4. promote the formation and maintenance of two-parent families.

States may expend TANF funds and associated state funds (called Maintenance of Effort or MOE funds) in any manner “reasonably calculated”<sup>9</sup> to achieve the TANF purpose, providing broad authority for the types of activities that may be funded. These activities include the traditional cash assistance programs—which convey traditional categorical eligibility.<sup>10</sup> However, in FY2010 traditional cash welfare accounted for only 30% of all expenditures from the TANF block grant and MOE funds.

TANF funds a wide range of other benefits and services that seek to ameliorate the effects, or address the root causes, of child poverty. TANF benefits and services to achieve the first two goals of TANF (provide assistance, end dependence of needy parents on government benefits) must be for needy families with children. These benefits or services are need-tested, though states determine their own income thresholds. These benefits are often available to families at higher levels of income than is cash assistance, often a multiple of the federal poverty threshold, and without an asset test.

---

<sup>8</sup> Section 401(a) of the Social Security Act.

<sup>9</sup> Section 404(a)(1) of the Social Security Act.

<sup>10</sup> In regulations promulgated after the 1996 welfare law, the Department of Health and Human Services (HHS) divided TANF- and MOE-funded activities into two categories: (1) assistance, and (2) everything else. The regulations defined assistance generally as representing the traditional cash assistance programs (“basic assistance”) and transportation or child care aid for nonworking persons.

Moreover, TANF services directed at the third and fourth goals shown above can be for *any* person in a state; that is, TANF services to reduce out-of-wedlock pregnancies or promote two-parent families are not restricted to families with children. These benefits and services are potentially available to a state's entire population. Federal rules also do not require that they be need-tested benefits and services.

### **What TANF Means for Categorical Eligibility**

The 1996 welfare reform law did not substantively change SNAP law with respect to categorical eligibility. Rather, it simply replaced the reference to AFDC with one to TANF in the section of law that conveys categorical eligibility. As discussed above, TANF gives states much broader authority than they had under AFDC to offer different types of benefits and services. This expansion of authority under TANF had major implications for categorical eligibility, allowing states to convey categorical eligibility based on receipt of a wide range of human services rather than simply cash welfare.

U.S. Department of Agriculture (USDA) regulations issued in 2000 provide rules for which noncash or in-kind TANF or MOE-funded benefits or services can be used to convey SNAP categorical eligibility.<sup>11</sup> The regulations require that states make categorically eligible for SNAP

- households in which all members receive or are authorized to receive<sup>12</sup> cash assistance funded by TANF or MOE dollars; and
- households in which all members receive or are authorized to receive noncash aid funded at least 50% by TANF or MOE dollars.

The regulations imposed one restriction on states in conveying categorical eligibility: if the TANF- or MOE-funded benefit or service was aimed at achieving TANF goals three (reducing out-of-wedlock pregnancies) or four (promoting two-parent families), the state would have to choose a program with an income limit of no more than 200% of the federal poverty guideline for conveying categorical eligibility.

Additionally, subject to the 200% of poverty restriction discussed above, the regulations give states the *option* of making categorically eligible for SNAP

- households in which all members receive or are authorized to receive noncash assistance funded less than 50% by TANF or MOE dollars; and
- households in which at least one member receives or is authorized to receive noncash aid funded at least partially by TANF or MOE dollars, but the state agency determines whether the whole household benefits from such noncash aid.

---

<sup>11</sup> The regulations are at 7 C.F.R. 273.2(j). See discussion of the final rule at U.S. Department of Agriculture, Food and Nutrition Service, "Food Stamp Program: Noncitizen Eligibility, and Certification Provisions of P.L. 104-193, as Amended by Public Laws 104-208, 105-33, and 105-185," 65 *Federal Register* 70159-70161, November 21, 2000.

<sup>12</sup> The regulations also provide that a family is categorically eligible if they either receive a TANF- or MOE-funded benefit or if they are "authorized" to receive such a benefit. "Authorized" to receive a benefit means that they have been determined eligible and have been informed as such; they do not need to actually be receiving benefits.

## Traditional, Narrow, and Broad-Based Categorical Eligibility

Giving states the option to make households in which at least one member receives TANF noncash aid categorically eligible for SNAP provides them with considerable flexibility. Many TANF-funded human services (e.g., child care, counseling, brochures) may actually be provided only to one or some members of a household. This has led to varied practices by states on what types of TANF noncash assistance are used to convey categorical eligibility beyond that provided through receipt of cash assistance.

### Scope and Reach of Categorical Eligibility

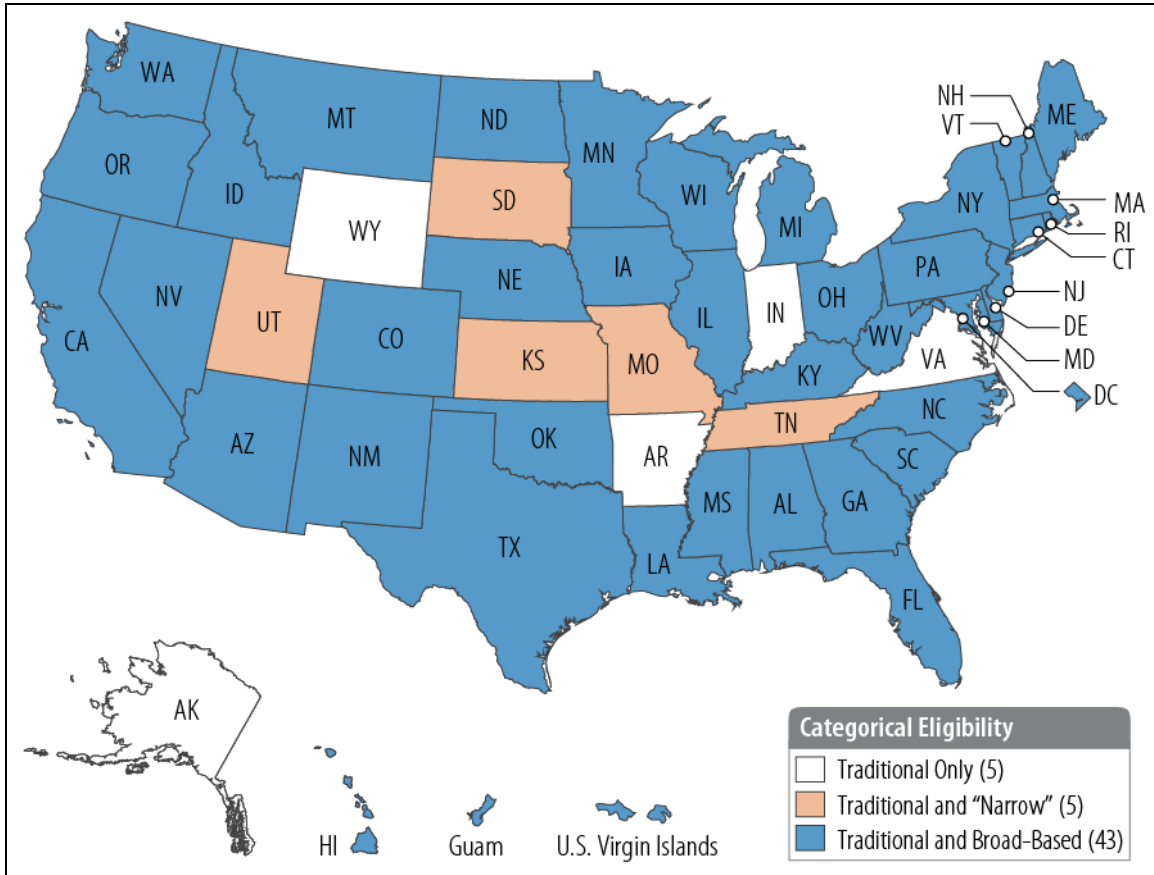
The USDA has developed a typology of state practices regarding categorical eligibility, categorizing states into three groups:

- **Traditional categorical eligibility only.** In its traditional form, a household where all members receive need-tested cash aid from SSI, GA, or TANF is automatically made eligible for SNAP as well. These households have already met the income and (in general) resource test for cash aid. Note that states set income and asset eligibility rules for TANF and GA (see **Table A-2** for maximum earnings possible for entry to TANF cash assistance in July 2010). SSI provides a federal income floor based on federal rules for the needy who are aged, blind, or disabled. However, states may supplement SSI with their own funds, leading to state variation in SSI eligibility as well. Based on the most current information available, only five states currently convey only traditional categorical eligibility.
- **“Narrow” categorical eligibility.** These states have expanded categorical eligibility beyond just traditional categorical eligibility, but in a way to limit the number of households made eligible for SNAP. These states convey categorical eligibility through receipt of cash and certain TANF noncash benefits, such as child care and counseling. Based on the most current information available, only five states have “narrow” categorical eligibility policies.
- **“Broad-based” categorical eligibility.** These states have expanded categorical eligibility in ways to make most, if not all, households with low incomes in a state categorically eligible for SNAP. Based on the currently available information, 40 states, the District of Columbia, Guam, and the Virgin Islands have broad-based categorical eligibility policies.

**Figure 1** displays a map categorizing states and territories by these three categories.



Figure 1. Scope of SNAP Categorical Eligibility by State: 2010



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

### State Practices in Providing “Broad-Based” Categorical Eligibility

Broad-based categorical eligibility is a policy that makes most households with incomes below a certain amount categorically eligible for SNAP. Typically, households are made categorically eligible through receiving or being authorized to receive a minimal TANF- or MOE-funded benefit or service, such as being given a brochure or being referred to a social services “800” telephone number (see **Table 1**). The brochure or telephone number must be funded with TANF or MOE dollars and thus must be directed at a TANF purpose.

States have increasingly availed themselves of the option to use broad-based categorical eligibility to expand and ease access to SNAP eligibility. The Department of Agriculture reports that as of January 3, 2012 (the latest data available), 43 jurisdictions operated broad-based categorical eligibility to make most or all households in their state with whom the state welfare office comes in contact SNAP eligible.

**Table 1** shows the use of SNAP broad-based categorical eligibility by state as of October 4, 2011. Of the 43 jurisdictions using broad-based categorical eligibility,

- 42 make all family types eligible (New Hampshire restricted broad-based categorical eligibility to families with children);
- 39 currently have no asset test (Texas, Michigan, Nebraska, and Idaho apply an asset test for all households), and, effective May 1, 2012, 38 will have no asset test when Pennsylvania adds an asset test. Note, though, currently in 12 jurisdictions, households with an elderly and disabled member with incomes in excess of 200% of the federal poverty guidelines have to meet the regular SNAP asset tests of \$3,000 for households of that type. Effective May 1, 2012, this will be 11 jurisdictions based on Pennsylvania's change; and
- 27 have a gross income limit above 130% of the federal poverty guidelines, though some of the largest states (California, New York, and Illinois) retained the 130% gross income limit.

According to USDA policy and guidance, there is a general way that a state would administer broad-based categorical eligibility for a SNAP applicant. The local SNAP office would collect basic income information on the applicant; if the applicant's income is below the limit specified, then the state office would administer the relatively nominal benefit or service. Receipt of this TANF service then constitutes SNAP eligibility through broad-based categorical eligibility. (As discussed above, it is still possible to be categorically eligible but receive no benefit because net income is too high.)

In the case of the District of Columbia, as shown in the table, if the applicant's gross income is below 200% of poverty, the applicant would then receive a particular brochure for a program that is TANF-funded and would then be eligible for SNAP through the broad-based categorical eligibility pathway.

**Table I. SNAP Broad-Based Categorical Eligibility by State**

Information as of January 3, 2012

State	Households Eligible	Type of TANF Benefit or Service <sup>a</sup>	Asset Rules	Gross Income Limit for Households Without an Elderly or Disabled Member (% of federal poverty guidelines) <sup>b</sup>
Alabama	All	Brochure	No limit. Households with an elderly or disabled member with incomes over 200% of poverty face a \$3,000 asset limit.	130%
Arizona	All	Referral on application	No limit	200%
California	All	Pamphlet	No limit	130%
Colorado	All	Notice on application	No limit. Households with an elderly or disabled member with incomes over 200% of poverty face a \$3,000 asset limit.	130%
Connecticut	All	“Help for People in Need” brochure	No limit	185%
Delaware	All	Application refers to a pregnancy prevention hotline	No limit	200%
District of Columbia	All	Brochure	No limit	200%
Florida	All	Notice	No limit	200%
Georgia	All	TANF Community Outreach Services brochure	No limit. Households with an elderly or disabled member with incomes over 200% of poverty face a \$3,000 asset limit.	130%
Guam	All	Brochure	No limit	165%
Hawaii	All	Brochure	No limit	200%
Idaho	All	Flyer about referral service	\$5,000	130%

<b>State</b>	<b>Households Eligible</b>	<b>Type of TANF Benefit or Service<sup>a</sup></b>	<b>Asset Rules</b>	<b>Gross Income Limit for Households Without an Elderly or Disabled Member (% of federal poverty guidelines)<sup>b</sup></b>
Illinois	All	Guide to services	No limit. Households with an elderly or disabled member with incomes over 200% of poverty face a \$3,000 asset limit.	130%
Iowa	All	Notice of eligibility	No limit	160%
Kentucky	All	Resource guide	No limit	130%
Louisiana	All	Information handout	No limit	130%
Maine	All	Resource guide	No limit	185%
Maryland	All	Referral to services on application	No limit	200%
Massachusetts	All	Brochure	No limit. Households with an elderly or disabled member with incomes over 200% of poverty face a \$3,000 asset limit.	200%. Households without children (aged 18 or younger) or an elderly or disabled member have a gross income limit of 130%.
Michigan	All	Notice on application	\$5,000. First vehicle is excluded; other vehicles with fair market value over \$15,000 are counted.	200%
Minnesota	All	Domestic violence brochure	No limit	165%
Mississippi	All	Language on notice	No limit	130%
Montana	All	Brochure	No limit	200%
Nebraska	All	Pamphlet	\$25,000 for liquid assets	200%
Nevada	All	Pregnancy prevention information on application	No limit	200%
New Hampshire	Households with at least one dependent child	Brochure	No limit	185%
New Mexico	All	Brochure	No limit	165%
New Jersey	All	Brochure	No limit	185%

<b>State</b>	<b>Households Eligible</b>	<b>Type of TANF Benefit or Service<sup>a</sup></b>	<b>Asset Rules</b>	<b>Gross Income Limit for Households Without an Elderly or Disabled Member (% of federal poverty guidelines)<sup>b</sup></b>
New York	All	Brochure mailed yearly	No limit. Households with an elderly or disabled member with incomes over 200% of poverty face a \$3,000 asset limit.	130%
North Carolina	All	Not specified	No limit	200%
North Dakota	All	Statement on application/recertification forms and pamphlet	No limit	200%
Ohio	All	Ohio Benefit Bank information on approval notice	No limit. Households with an elderly or disabled member with incomes over 200% of poverty face a \$3,000 asset limit.	130%
Oklahoma	All	Certification notice has website and 800 number about marriage classes	No limit	130%
Oregon	All	Pamphlet	No limit	185%
Pennsylvania	All	Pamphlet	\$5,500. Households with an elderly or disabled member with incomes over 200% of poverty face a \$9,000 asset limit. <sup>c</sup>	160%
Rhode Island	All	Publication	No limit. Households with an elderly or disabled member with incomes over 200% of poverty face a \$3,000 asset limit.	185%
South Carolina	All	Pamphlet	No limit. Households with an elderly or disabled member with incomes over 200% of poverty face a \$3,000 asset limit.	130%

<b>State</b>	<b>Households Eligible</b>	<b>Type of TANF Benefit or Service<sup>a</sup></b>	<b>Asset Rules</b>	<b>Gross Income Limit for Households Without an Elderly or Disabled Member (% of federal poverty guidelines)<sup>b</sup></b>
Texas	All	Information about various services provided on the application	Asset limit of \$5,000 (excludes one vehicle and includes excess vehicle value).	165%
Vermont	All	Bookmark with telephone number and website for services	No limit	185%
Virgin Islands	All	Brochure	No limit. Households with an elderly or disabled member with incomes over 200% of poverty face a \$3,000 asset limit.	130%
Washington	Households eligible for TANF services.	Information and referral services provided on approval letter.	No limit	200%
West Virginia	All	Information and referral services program brochure	No limit	130%
Wisconsin	All	Job net services language on approval and change notices	No limit	200%

**Source:** U.S. Department of Agriculture, Food and Nutrition Service (FNS).

- a. Type of TANF benefit or service is information collected by the USDA, and this column utilizes USDA's terms. References to a notice or notice on application generally refers to an agency communication on otherwise that an applicant may be eligible for TANF or related benefit.
- b. Households with an elderly or disabled member do not have a gross income limit in SNAP.
- c. This asset limit policy will be effective May 1, 2012. Until that time, the prior policy will be in place (no asset limit for households without an elderly or disabled member. Those with an elderly or disabled member, with incomes over 200% of poverty, face a \$3,000 asset limit.).

## **Is it Possible to Determine How Many Families Are SNAP-Eligible Due Solely to Categorical Eligibility?**

Given the available data collected through SNAP, it is *not* possible to determine the number of families who are eligible for benefits solely because of categorical eligibility. The major reason for this is that asset information is not collected for families who are categorically eligible. Thus, it cannot be said how many categorically eligible households had countable assets above the \$2,000 or \$3,250 threshold.

SNAP data can be used to determine how many families have *incomes* above either the 130% of the poverty threshold for gross income or 100% of the poverty threshold for net income limit. In FY2009, only 2.3% of all SNAP households, totaling 320,000 households, had incomes above these limits.<sup>13</sup>

These 320,000 households disproportionately represent households with children who have earnings and households with elderly and disabled members receiving the SNAP minimum benefit. Some general characteristics of these 320,000 households are

- 45% were households with children that were also households with earnings (compared with 20% of all SNAP households having children and earnings);
- 30% were households with an elderly or disabled member receiving the SNAP minimum benefit (compared with 3% of all SNAP households having elderly and disabled members receiving the minimum benefit); and
- 25% were other types of households.

## **Proposals to Restrict Categorical Eligibility**

During the decade of the 2000s, there were a number of proposals to restrict categorical eligibility to families based on TANF benefits and services. The George W. Bush Administration proposed limiting TANF-based categorical eligibility to receipt of cash assistance as part of its farm bill proposals in 2002 and 2007, as well as its budget proposals for FY2006 through FY2008. Such a proposal passed the House in a budget reconciliation bill in 2005 (H.R. 4241, 109<sup>th</sup> Congress). This provision was not part of the final reconciliation package, the Deficit Reduction Act of 2005 (P.L. 109-171).

In the 112<sup>th</sup> Congress, three pieces of SNAP categorical eligibility legislation have been introduced. Senator Richard Lugar and Representative Marlin Stutzman introduced companion bills (S. 1658; H.R. 3111), which include language that would limit categorical eligibility to TANF cash assistance. During Senate floor consideration of H.R. 2112 (the bill that would become P.L. 112-55, the FY2012 appropriations law) Senator Sessions offered an amendment to prohibit the use of federal funds to allow categorical eligibility in SNAP (S.Amdt. 810); it was defeated 41-58.

---

<sup>13</sup> Congressional Research Service (CRS) tabulations of the FY2009 SNAP Quality Control Data File.

## Appendix.

**Table A-I. Federal SNAP Monthly Income Eligibility Limits for FY2012**

Household Size	48 States	Alaska	Hawaii
<b>Gross Monthly Income Limits (130% of the federal poverty guidelines)</b>			
1	\$1,180	\$1,474	\$1,359
2	1,594	1,992	1,835
3	2,008	2,509	2,310
4	2,422	3,027	2,786
5	2,836	3,545	3,261
6	3,249	4,063	3,737
7	3,663	4,581	4,212
8	4,077	5,099	4,688
Each Additional Member	414	518	476
<b>Net Monthly Income Limits (100% of the federal poverty guidelines)</b>			
1	908	1,134	\$1,045
2	1,226	1,532	1,411
3	1,545	1,930	1,777
4	1,863	2,329	2,143
5	2,181	2,727	2,509
6	2,500	3,125	2,875
7	2,818	3,524	3,240
8	3,136	3,922	3,606
Each Additional Member	319	399	366

**Source:** U.S. Department of Agriculture, Food and Nutrition Service (FNS).



**Table A-2. Maximum Monthly Earnings a TANF Cash Assistance Applicant Can Receive and Still Meet Initial Eligibility for Benefits for a Family of Three: July 2010**

State	Maximum Monthly Earnings an Applicant can Receive and Still Be Eligible for Assistance	As a Percent of the Federal Poverty Guidelines for 2010
Alabama	\$269	17.6%
Alaska	\$1,554	101.8
Arizona	\$585	38.3
Arkansas	\$279	18.3
California	\$1,203	78.8
Colorado	\$511	33.5
Connecticut	\$858	56.2
Delaware	\$428	28.1
D.C.	\$588	38.5
Florida	\$393	25.8
Georgia	\$514	33.7
Hawaii	\$1,740 <sup>2</sup>	114.0
Idaho	\$648	42.5
Illinois	\$763	50.0
Indiana	\$378	24.8
Iowa	\$1,061	69.5
Kansas	\$519	34.0
Kentucky	\$908	59.5
Louisiana	\$360	23.6
Maine	\$1,023	67.0
Maryland	\$718	47.1
Massachusetts	703	46.1
Michigan	\$815	53.4
Minnesota	\$1,224	80.2
Mississippi	\$458	30.0
Missouri	\$557	36.5
Montana	\$811	53.2
Nebraska	\$886	58.1
Nevada	\$1,430	93.7
New Hampshire	\$844	55.3
New Jersey	\$636	41.7
New Mexico	\$1,017 <sup>3</sup>	66.7
New York	\$843	55.2
North Carolina	\$681	44.6

<b>State</b>	<b>Maximum Monthly Earnings an Applicant can Receive and Still Be Eligible for Assistance</b>	<b>As a Percent of the Federal Poverty Guidelines for 2010</b>
North Dakota	\$1,306	85.6
Ohio	\$763	50.0
Oklahoma	\$824	54.0
Oregon	\$616	40.4
Pennsylvania	\$493	32.3
Rhode Island	\$1,277	83.7
South Carolina	\$1,411	92.5
South Dakota	\$782	51.3
Tennessee	\$1,315	86.2
Texas	\$401	26.3
Utah	\$668	43.8
Vermont	\$1,053	69.0
Virginia	539	35.3
Washington	\$1,122	73.5
West Virginia	\$565	37.0
Wisconsin <sup>a</sup>	NA	NA
Wyoming	\$760	49.8

**Source:** Urban Institute's Welfare Rules Database.

a. In Wisconsin, families with earnings are ineligible for cash assistance.

## Author Contact Information

Gene Falk  
Specialist in Social Policy  
gfalk@crs.loc.gov, 7-7344

Randy Alison Aussenberg  
Analyst in Social Policy  
raussenberg@crs.loc.gov, 7-8641

## Area of Expertise by Author

<b>Area of Expertise</b>	<b>Name</b>	<b>Phone</b>	<b>E-mail</b>
TANF Program	Gene Falk	7-7344	gfalk@crs.loc.gov
SNAP	Randy Alison Aussenberg	7-8641	raussenberg@crs.loc.gov