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## February 7, 2018

To: Chairman Riepe and Members of the Health and Human Services Committee From: Julia Tse, Policy Coordinator for Economic Stability and Health RE: Support for LB 770 – Change provisions relating to the Supplemental Nutrition Assistance Program

Dear Chairman Riepe and Members of the Health and Human Services Committee,

Children are Nebraska's greatest resource, and when all children have the opportunity to reach their full potential in adulthood, our state and economy are better off. The rise of child hunger in Nebraska is not just of moral concern, it promises to threaten our future economic prosperity if left unaddressed. Voices for Children in Nebraska supports LB 770 because it builds upon a successful workforce support to ease hunger among children in our state.

Proper nutrition and health during childhood is the foundation upon which academic success, mental and socioemotional health, and proper development is built. Although child poverty has largely recovered from pre-Recession highs, hunger among Nebraska families has continued to rise. These two trends, alongside the consistently high labor force participation among Nebraska parents, suggest that more and more families are struggling to make ends meet.

Nearly 80% of Nebraska children had all available parents in the workforce last year. Nebraskans value hard work, but hard work is not always enough to pay the bills. Nationally, wages have stagnated for lower income families, with median income falling by 13% since 2004, though the cost of raising a family has increased by 14% at the same time. At a time when child care, housing, and medical costs are rising, low-income families often look to cuts in their food expenses.

The Supplemental Nutrition Assistance Program (SNAP), is widely recognized as one of the most effective anti-poverty programs in the country. As a work support, SNAP provides targeted assistance by helping many working families fill the gap between what they earn and what they need to raise their family. In addition to protecting children from the effects of hunger, it has also been found to help stimulate local economies that might otherwise be struggling alongside families.

At least 31 states have already enacted changes similar to LB 770 as the cost of living continues to outpace family income. It is notable that the changes proposed in LB 770 would only allow a small subset of families with high household expenses to become newly eligible for SNAP, as families would still need to meet a much lower net income threshold. This would likely include larger families, single-parent households, and those with high child care costs.

The changes proposed in LB 770 incentivizes work and builds financial independence by allowing more workers to accept a promotion or extra hours without losing food assistance. The existing structure of SNAP ensures that benefits are scaled appropriately to family income. As income rises, benefits decrease, but the loss of SNAP before a family is able to make ends meet is counterproductive to the goals of our public assistance programs. Faced with this cliff, many families make the rational, short-term decision to decline an incremental wage increase to ensure that they have enough money to put food on the table for the month.

We thank Senator McCollister for his leadership on this issue and the Committee for their time and consideration. We respectfully urge you to advance LB 770. Thank you.