

OFFICE OF POLICY AND LEGAL ANALYSIS

Date: March 23, 2021
To: Joint Standing Committee on Health & Human Services
From: Anna Broome, Legislative Analyst

LD 727 Resolve, To Ensure the Health and Wellness of Older Residents of the State

SUMMARY (as amended by request at public hearing): Eliminate the asset test for all SNAP applicants and recipients.

ISSUES FROM TESTIMONY:

- Sponsor requested amendment at public hearing. Replace the bill; remove the asset test for SNAP recipients and applicants that are still subject to an asset test (does not require federal approval).
- Proponents: 34 states and all of New England do not use an asset test to determine eligibility in SNAP. Reduces caseworker time, lowers administrative costs and reduces errors. Allows for SNAP recipients to save a small amount and don't have to deplete assets to qualify; most applicants don't have assets anyway. Current asset test of \$5,000 and more than one vehicle. (No impact on income eligibility.)

DRAFTING ISSUES:

- As mentioned at the public hearing, no need for a waiver from the federal government. If moving forward, would direct DHHS to amend their Food supplement rules to remove asset tests for eligible SNAP applicants and recipients.

ADDITIONAL INFORMATION REQUESTED BY COMMITTEE:

- Report pursuant to Resolve 2019, c. 41 – reviewed asset limits for DEL, MSP, SNAP, and TANF. Stakeholder group recommended the removal of asset limits from SNAP.

- In Maine, for SNAP, there is no asset limit for TANF households, SSI children under 18 (or aged 18 and attending high school) by statute, or households where recipients are disabled or >65 years of age (since 2019 in rules). Income limit is 185% of FPL.
- Broad-based categorical eligibility is a policy in which households may become categorically eligible for SNAP because they qualify for a non-cash TANF or State maintenance of effort funded benefit (brochure, resource guide). Can use BBCE to remove the asset test and increase income level up to 200% FPL. 42 states have BBCE and most of them don't have an asset test (Maine has BBCE with \$5,000 asset test for some recipients).

FISCAL IMPACT:

Not yet received from OFPR.