

WHAT REPUBLICAN DEBT DEFAULT MEANS FOR AGRICULTURE PROGRAMS

Food Assistance

The Republican plan to default on our national debt takes a hatchet to critical agriculture programs, including taking food assistance away from Americans. The Supplemental Nutritional Assistance Program (SNAP) is a well-run program that includes checks and balances, robust verification processes, and is highly effective at getting food to those who need it most. Eighty percent of SNAP households include a child, an elderly individual, or a person with a disability. SNAP is essential to protecting our nation's most vulnerable, and extreme Republicans are threatening to blow up our economy unless we allow them to take food away from children, seniors, and those with a disability.

What does the Default on Our Debt Act do?

- 1. Kick older Americans off SNAP by raising the age limit for those who must meet the <u>stricter</u> work requirements from age 50 to 56.
 - If they are unable to meet the stricter work requirements, they may only receive SNAP benefits for three months in a 36-month period.
 - How could someone fail to meet the work requirement? Their employer may not give them enough hours to meet the 80 hours a month requirement. They may get sick or have to care for a family member and need to miss hours at work. Through no fault of their own, folks may be kicked off the program. A significant portion of this population is homeless, may struggle with mental health issues, or have difficulty accessing reliable transportation making work, much less steady work, a real challenge.
- 2. Removes State flexibility to extend benefits beyond three months for individuals with unique and challenging circumstances.
 - These individual exemptions allow a State agency, at its discretion, to extend SNAP eligibility to a limited number of able-bodied adults without dependents (ABAWDs) subject to the time limit.
 - Current law allows States to roll over unused time-limit exemptions from year to year.
 - By preventing States from accruing these exemptions, Republicans are preventing States and local caseworkers from providing an exemption for a person facing unique challenges to meeting the work requirement. For example, a plant could shut down, impacting the local economy, but not high enough to exempt the whole county. In this example, the caseworker could grant individual exemptions to ABAWDs impacted by the closure. Republicans in Washington, DC, think they know better than those running the program at the local level.

Talking Points

- Protecting SNAP benefits should be a nonpartisan issue. The government should work to ensure that food security is a basic human right. Hunger has no party; it affects every family.
- Four in five SNAP households include a child, an elderly individual, or a person with a disability, and overall, more than 65% of SNAP participants are in families with children. SNAP is essential to protecting our nation's most vulnerable.
- More than 34 million Americans, including 9 million children, suffer from food insecurity. Taking food assistance away from Americans doesn't help anyone find work or grow our economy; it just makes them hungry.
- In the richest country in the world, no one should ever have to worry about where their next meal will come from. Not only are Republicans threatening to default on our debt, but they also want to pay for it by sacrificing food for our most vulnerable.
- Investments in SNAP boost the economy overall and create jobs. Every \$1 spent on SNAP benefits generates as much as \$1.54 in economic activity. Republicans are trying to kill a powerful engine for fighting hunger and economic growth while claiming it's the fiscally responsible thing to do.
- Mandating additional work requirements also does not guarantee the availability of work hours for underemployed individuals. More than 4.1 million workers in the U.S. were working part-time because their hours had been reduced or they were unable to find full-time employment. (Bureau of Labor Statistics)
- States should have the autonomy and authority to decide how best to utilize waivers to serve low-income residents struggling to find work. A Federal mandate would undermine the best interest of States and the millions of Americans they serve.

Discretionary Caps and FundingCuts

The Republican threat to default on our debt includes demands to gut certain programs. But even if these demands are met, it would not meet our debt obligations—it would only serve to hurt vulnerable Americans. While they are hoping people won't bother to do the math, the only way their plan could avoid a default on our debt would be by cutting critical programs, including Veterans Medical Care, by at least nine percent. Refusing to make cuts to programs like Veterans Medical Care would require cutting discretionary spending by at least 22 percent. To achieve this, Republicans are putting programs vital for America's agriculture sector on the chopping block.

- 1. Agriculture programs that could be gutted by Republicans include:
 - Food Safety and Inspection Service: Might have to cut up to \$250 million by furloughing as many as 1,800 Food Safety Inspectors. Since Federal law mandates inspections, this staffing cut could result in a lost production volume of more than 11.5 billion pounds of meat, an additional 11.1 billion pounds of poultry, and over 590 million pounds of egg products. Consumers would face shortages of these products, which would increase prices.
 - Natural Resources Conservation Service: Might have to cut up to \$225 million in their conservation operations account, meaning that Conservation Technical Assistance would be reduced, resulting in up to 84,000 fewer producers receiving conservation planning assistance. This will hurt farm bill program delivery and rural America. It will hurt our

climate and leave farmers at risk during ever more extreme weather events caused by climate change.

- **Farm Service Agency:** Might have to cut up to \$370 million, impacting service levels in local offices. There may be as many as 5,100 fewer direct farm operating loans and 1,500 other farm loans made. That funding loss could result in 26,250 private sector jobs, reduce Gross Domestic Product by more than \$1.6 billion, and reduce household income by more than \$1.3 billion.
- **Forest Service:** Might have to cut up to \$515 million for Wildland Fire Management. Potentially 2,700 wildland firefighters would be furloughed, resulting in significantly less ability to fight and prevent fires.
- 2. The Republican threat to default on our debt also includes demands to rescind money which a bipartisan Congress already approved. Instead of the surgical approach they promised, Republicans took a hatchet to important and popular programs, potentially risking up to \$27 billion. The Agriculture Committee should have the right to reallocate unspent money to the farm bill, resulting in a common sense and efficient use of taxpayer funds that protects American agriculture without disrupting the farm bill process or torpedoing the national economy. Farm bill programs at risk of having funding clawed back by Republicans include:
 - The Dairy Business Innovation Program
 - The Meat and Poultry Processing Capacity Technical Assistance program.
 - The Local Meat Capacity grant program
 - The Organic and Transitional Education and Certification Program
 - Food Supply Chain and Pandemic Response Program
 - Assistance for Socially Disadvantaged Farmers and Ranchers
 - Animal Health Monitoring and Surveillance
 - Agricultural Workforce Training Meat and Poultry Processing Workforce Training program

These clawbacks may even disrupt spending planned and announced by USDA. The loss of these funds will also limit the Agriculture Committee's flexibility to consider which of these programs should be extended in the new farm bill.

Talking Points

- Extreme Republicans are threatening the livelihoods of American farmers. By clawing back or reducing funding for programs that help American growers compete with nations like China, Republicans aren't saving taxpayers money, they're putting people out of business and giving away market access to our competition.
- The USDA's Food Inspection Service ensures the foods Americans eat every day are safe and healthy, free of contaminants and diseases that can cause illnesses. Republicans should be focused on growing our economy and improving America's quality of life—not threatening to default on our debt and blow up our economy unless we cut the Food Inspection Service budget by \$250 million.
- Our nation has faced increasingly devastating wildfires, costing lives and billions of dollars' worth of infrastructure damage. Instead of ensuring the health of our forests and the safety of our towns from deadly wildfires, Republicans are proposing we cut the Forest Service's

Wildland Fire Management program and threatening to default on the national debt if we refuse.

• USDA assists America's small farmers by providing technical assistance so they can do their jobs more sustainably as well as helping finance them so they can operate where traditional financial institutions don't lend. Republicans want to put a stop to that by reducing the opportunities for small farmers to get loans, costing our economy \$1.6 billion as a result.

SNAP Recipients in Each State Aged 50-55 Whose SNAP Benefits Are At-Risk

G4 4	Total number of SNAP participants aged
State	50-55 at risk of losing \mathbf{SNAP}^1
Alabama	17,000
Alaska	2,000
Arizona	17,000
Arkansas	6,000
California	136,000
Colorado	11,000
Connecticut	11,000
Delaware	4,000
District of Columbia	5,000
Florida	58,000
Georgia	23,000
Guam	1,000
Hawaii	4,000
Idaho	2,000
Illinois	54,000
Indiana	10,000
Iowa	9,000
Kansas	3,000
Kentucky	18,000
Louisiana	17,000
Maine	3,000
Maryland	18,000
Massachusetts	15,000
Michigan	34,000
Minnesota	6,000
Mississippi	8,000
Missouri	12.000
Montana	2,000
Nebraska	3,000
Nevada	11,000
New Hampshire	1,000
New Jersey	11,000
New Mexico	15,000
New York	54,000
North Carolina	24,000
North Dakota	1,000
Ohio	39,000
Oklahoma	13,000
Oregon	21,000

¹ Figures are for an average month in fiscal year 2019. They include individuals who do not receive disability benefits and have no children in the SNAP household. Not all of these individuals would lose SNAP. Some could document that they qualify for exemptions or are working 20 hours or more per week. Others could live in areas with waivers based on insufficient jobs

Pennsylvania	40,000
Rhode Island	3,000
South Carolina	11,000
South Dakota	2,000
Tennessee	24,000
Texas	53,000
Utah	3,000
Vermont	1,000
Virgin Islands	1,000
Virginia	22,000
Washington	19,000
West Virginia	9,000
Wisconsin	14,000
Wyoming	1,000
U.S. TOTAL	900,000

Source: CBPP blog