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Testimony before the Senate Committee on Family and Children's Services
Supporting SB 529 – Removal of Asset Limits for SNAP Eligibility
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Good morning Chairman Walker and members of the Committee.

I thank you for considering joining 37 other states in reducing administrative costs, improving accuracy, and minimizing paperwork burdens for families who need the Supplemental Nutrition Assistance Program, or SNAP.

A single mom in Lebanon, Indiana – we'll call her Amber - taught me a great deal about what these burdens mean to Hoosiers who depend on this program to keep their families fed. She had been working full time and making ends meet until a visit to the doctor gave her the worst possible news ever – her daughter had a rare form of cancer and would need treatment. At an emotionally devastating time, this meant making sure that her other child had care so she could travel for intensive treatment. It also meant cutting back on work hours and – for the first time – depending on SNAP.

It was on the return from an exhausting set of treatments that Amber discovered that her SNAP had been terminated for failure to submit paperwork. At a time when she needed support, bureaucratic obstacles kept her kids from eating.

These hurdles don't only cost families like Amber's access to valuable support – they cost all of us. Not acknowledged in the fiscal note is the time spent on staff training to learn which assets do and do not count, how to properly value assets, and so on. The resource section of the manual is roughly 50 pages. Then, staff must devote time to verifying what in most cases is a negative – lack of assets. While this may only require a few minutes per household, that can add up. Here's a back-of-the-napkin estimate with some help from one of my advisory council members who worked for a time doing eligibility interviews:

[Roughly 450,000 distinct applications](#) X 10 minutes



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75,000 hours

X \$18.00/hour (no fringe or FICA included)

\$1,312,500 in admin

– 50% (federal share)

= at least \$656,250 in state administrative costs

If we compare that to the cost of adding all 3,625 people denied for being over resources – likely a very high estimate, given that these are folks who could also be over income - we would see a savings of just under a half million - \$424,150 - in administrative costs.

A [recent analysis](#) found that while administrative costs have reduced across the board, there is still a tenfold difference between the highest and lowest state-level per-case administrative cost, and that this is partially attributable to state policy choices, including the complexity of the eligibility process.

Indiana's state administrative costs per case per month in 2021 were \$27.43 compared to neighbor states like Illinois (\$15.75) and Ohio (\$13.65). We can do better.

At the same time, we know that as people climb the income ladder, they are going to lose these benefits before they are really on their feet financially – often referred to as a benefits cliff. The Institute recently surveyed Hoosiers about their experiences with the benefits cliff and found that it both deters families from accepting extra hours, raises, or promotions – and results in material hardship for those who do.

- A CNA from South bend told us: “I considered how I would be able to feed and clothe [my] children and myself as well as pay bills and rent. I told my employer I couldn't take the promotion because it would make me struggle more than I currently am right now.”
- A Clay County resident told us “I accepted a job making \$16/hr being the sole provider for



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my household and lost my SNAP benefits completely.”

130% of the federal poverty level SNAP at just over \$20,000 per year for a single adult, while a family of four that threshold is \$41,795. We therefore want eligible recipients to try to save and removing this test will remove that fear.

These are folks you see behind the counter at the grocery store, that wash the dishes in restaurants you may visit, that provide some of the health care services we all depend on to be well – or that may be dealing with a health crisis of their own or one in their family.

So I thank you for considering policies to reduce the cost of administration and the paperwork burdens associated with SNAP enrollment while also supporting saving and weathering benefits cliffs. We all benefit from efficient programs that support people along their path to self-sufficiency.