

July 31, 2009



Janey Thornton
Deputy Undersecretary
Food, Nutrition and Consumer Services
United States Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Re: California SNAP Waiver Extension Request



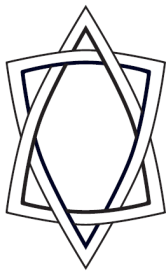
Dear Ms. Thornton,



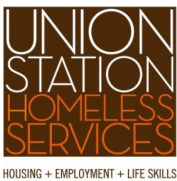
California has been making progress in improving the Food Stamp Program (our Supplemental Nutrition Assistance Program). Under the leadership of John Wagner, the Director of the California Department of Social Services (CDSS), the state has most recently moved to remove the asset test for households with children, made it easier for aged-out foster youth to obtain food stamps, and begun developing a new name and brand for the program in California. But given our historic problems with participation, we certainly must do more. We must follow the lead of other states and take advantage of federal options to improve access and operate more efficiently. Continuing our efforts to increase participation will of course help low-income Californians. And, due to the size of our state, our efforts will also drive national participation rates and contribute towards the President's goal to eliminate childhood hunger by 2015.



One of the single most important things we can do to increase participation while streamlining program administration is to join the 48 other states who have moved to simplified reporting. USDA, states and program experts have long heralded this option as one of the single most important ways to improve participation. We believe that USDA can play an important role in getting this needed change moving once again in California.



Since 2002, California has operated a combined periodic-change reporting system for food stamps with reports due on a quarterly basis. This system has required a waiver, #2030030, which was renewed twice. When requesting an extension of the waiver in 2007, CDSS indicated its commitment to moving to semi-annual reporting. The current waiver is set to expire on September 30, 2009. **To ensure that the transition to simplified reporting is not held up any longer, we respectfully request that you reject further extensions of waiver #2030030.**



By rejecting another extension of the waiver, USDA will be honoring the commitments made by CDSS. Since 2005, the Western Regional Office of FNS has been encouraging California to move to simplified reporting to enjoy the benefits of administrative relief, error rate reduction and improved client access. In 2007, CDSS asked for more time so that the semi-annual reporting system could be developed. We believe that rejecting an additional extension would provide the impetus for accelerated movement toward semi-annual reporting. The California Legislature supports the move to semi-annual reporting. The County Welfare Director's Association and client advocate groups do as well. Governor Schwarzenegger himself has





pushed a semi-annual reporting proposal. We believe that the rejection of the waiver will move California to the less frequent reporting system that all of these groups want.



USDA would be well within its authority to reject the waiver. In fact, we believe the agency is compelled to reject the waiver request because USDA can only approve waivers if they lead to a “more effective and efficient administration of the program.” We believe the current waiver falls short of that standard, in terms of: 1) participation 2) administrative costs and 3) error rates.



Participation

California ranks last among states on USDA’s food stamp participation rate measure for all households. And just as troubling, California is tied for last place with Rhode Island for participation among the working poor. There are a number of factors that contribute to this poor performance, especially challenges with the application process. But we also believe that requirements on enrolled clients are deterring participation in the program. Specifically, we believe California’s quarterly reporting system, which imposes combined periodic and change reporting requirements on clients, creates unnecessary and confusing paperwork hassles that are causing needy families to fall off the program. Caseload movement data suggest that a large number of households in California are “churning” on and off the program, causing an avoidable and costly re-application process for a significant number of households. Given these negative impacts of quarterly reporting on participation, we do not believe continuing the waiver would be “effective” from a client participation standpoint.



Administrative Costs

California is also at the bottom of states in another important measure: administrative costs per case. According to USDA’s State Operations Report, no other state comes even close to spending as much per food stamp case as California does. California spends considerably more than double the national average. In these tight economic times, states must be more efficient; the simplified reporting option exercised in nearly every other state reduces staff workload, based on the analysis from Mathematica. Given that USDA may only approve waivers that would result in a “more effective and efficient operation” of the program, this waiver extension should be rejected from an administrative efficiency standpoint.



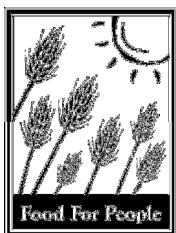
Error Rate

Another important measure is error rate. While California had a significant problem several years ago, performance did improve. However, the current waiver does not allow the state to make even greater error rate improvements. USDA’s own analysis has shown that simplified reporting reduced errors significantly and that if all states, including California use this option, the error rate reduction would be even greater. Given the importance of program integrity, USDA should not approve waivers, such as #2030030, that do not maximize error rate reduction and do not result in a “more effective and efficient administration of the program.”



Impact of Rejection

California’s quarterly reporting system is established in state statute. Our understanding is that the rejection of the waiver does not eliminate California’s quarterly system but does eliminate additional state-specific changes made to the quarterly system. California could still operate a quarterly reporting system under 7 CFR 273.12 (a) 4, however significant changes





would be needed to change the system to comply with existing (and newly unwaived) federal regulations.

But we strongly believe that moving to semiannual reporting would be much more beneficial than making these changes to the quarterly system. Therefore, we believe that the rejection of the waiver will provide the final impetus for establishing the desired 6-month reporting system in state statute.

Conclusion

Much has changed since California first submitted a quarterly reporting proposal to the previous administration in 2002. The simplified reporting option was not yet an option under the statute. There was a considerable lack of information on the impact of reporting options on participation, administration, and payment accuracy. And in 2002, when the quarterly system was approved, our country was not in such a deep economic crisis as it is now. Our current crisis makes food stamps even more important to struggling families and makes the efficient operation of the program even more important, given tight federal and state budgets.

Thank you for considering this request. We, the undersigned, are ready to provide additional evidence and detail to explain these arguments further. Please contact George Manalo-LeClair with California Food Policy Advocates, (510-433-1122 ext 103, george@cfpa.net) for further information.

Sincerely,

George Manalo-LeClair, Senior Legislative Advocate, California Food Policy Advocates
Ken Hecht, Executive Director, California Food Policy Advocates
Anne Holcomb, Executive Director, Food for People
Laurie True, Executive Director, California WIC Association
Lynn Kersey, Executive Director, Maternal and Child Health Access
Arturo Ybarra, Executive Director, Watts/Century Latino Organization
David Goodman, Executive Director, Redwood Empire Food Bank
Robert V. Shear, Executive Director, Mid Valley Recovery Services
Luis M. Lozano, Executive Director, The Beacon House Association of San Pedro
Aleta Cruel, Executive Director, Compton Welfare Rights Organization
Sue Sigler, Executive Director, California Association of Food Banks
Carl R. Hansen, Executive Director, Food Bank Coalition of San Luis Obispo County
Nancy Tivol, Executive Director, Sunnyvale Community Services
Lynis Chaffey, Executive Director, Inter-Faith Ministries
Kathleen Harmon, Executive Director, Interfaith Council of Amador
Douglas Ferraro, Executive Director, Hope-Net
David Cox, Executive Director, St. Joseph's Family Center
George LeBard, Executive Director, Project MANA
Mary Buckley, Executive Director, Plowshares
Paul Ash, Executive Director, San Francisco Food Bank
Trish Ribail, Executive Director, Imperial Valley Food Bank

Paul Bellerjeau, Director of Programs, Second Harvest Food Bank of Santa Cruz County
Frank Tamborello, Director, Hunger Action LA
Janice Maseda, Director, Lutheran Social Services Los Angeles
Mary Agnes Erlandson, Center Director, St. Margaret's Center/Catholic Charities of Los Angeles, Inc.
Lisa Perry, Director, Connections of Hope/ERG Community Services
Fred Summers, Director of Operations, SOVA Food & Resource Program, Jewish Family Services of Los Angeles
Joni Halpern, Esq., Director, Supportive Parents Information Network, Inc.
Mark Lowry, Co-Chair, Orange County Hunger Coalition
Jenn Sramek, Board President, Haight Ashbury Food Program
H. Eric Schockman, President, MAZON: A Jewish Response to Hunger
Mable Everette, President/CEO, Community Nutrition Education
Mara Schoner, President, Neighbor2Neighbor
Authur G. Kinslow, President, Christ Temple Church of Pomona
Beth Abrams, President, Beth Abrams' Center for Peace, Arts, Justice, and the Environment
Paul S. Castro, CEO, Jewish Family Service of Los Angeles
Ilene Leiter, CEO, Kings' Care – A Safe Place, Inc.
Mike Mallory, CEO, Second Harvest Food Bank of San Joaquin & Stanislaus Counties
Rabbi Marvin Gross, CEO, Union Station Homeless Services
Dana Wilkie, CEO, Community Food Bank
Jeff Dronkers, Chief Programs and Policy Officer, Los Angeles Regional Foodbank
Marla Feldman, California Program Director, MAZON: A Jewish Response to Hunger
Angie Cooper, Research Scientist, Public Health Institute
Susanna Sibilsky, Community Consultant, Sibilsky & Associates
Maya Hagege, Project Assistant, South LA Healthy Eating Active Communities
Mary Ann Kelly, RD, Consultant Dietitian, Dietitian of the Desert
Helen Anderson, Treasurer, Orange County Hunger Coalition
Deborah Waxman, Community Education and Outreach Coordinator, Food for People
Lisa Sherrill, Community Relations Manager, Food Bank of Contra Cost and Solano
Barbara Williams, Social Worker
Magud Franco, Office Administrator, Inglezia Apostolica Manantial de Vida
Marie M. Mugan, Administrative Services, Little Sisters of the Poor
Phil Huisman, Administrator, Shepherd's Pantry
Reverend Will Wauters, Vicar, The Episcopal Church of the Epiphany
Rosa Murillo, Coordinator, St. Josephs God Parents
Amanda Davis, Family Services Case Manager, Ocean Park Community Center
Sonia Pereira, Dual Diagnosis Case Manager, Ocean Park Community Center Access Center
Carol Lazarovits, Outreach Coordinator, St. John Vianney Church
Joyce Hutson, Program Manager, Greater Richmond Interfaith Program
Amy Scott, Food Pantry Coordinator, Friends In Deed
Chuch Huston, Director, The AIDS Food Store, Inc.
Frederick Brown, Program Operations Manager, California Institute of Health & Social Services
Amy Tam, Youth Services Program Specialist, YouTHink
Jennifer Tracy, Food Stamp Outreach Coordinator, San Diego Hunger Coalition
Natalie Caples, Nutrition Education Coordinator, Community Food Bank
Merle Preston, Access to Care Manager – Community Healthy Programs, Neighborhood Healthcare

Gary Romriell, Food Bank Manager, Community Action Partnership of Kern
Maria G. Orozco, Community Referral Specialist, Chula Vista Community Collaborative
Marc Ross, Nutritional Specialist, Downtown Women's Center
Victoria Beeher, Advocate, Mental Health Systems – Building Bridges Together
Pastor Roger R. Kuehn, Pastor of Church – Administrator of Food Pantry, Antioch Food Closet
Antoinette Nelson, Food Pantry Coordinator, First African Methodist Episcopal Church Los Angeles
Colleen Rivecca, Advocacy Coordinator, St. Anthony Foundation
Shelly Hahne, Hand Up Youth Pantry Coordinator, Jewish Family Service – Hand Up Youth Food Pantry
Eileen MacKusick, Lead Dietitian, Watsonville Community Hospital
Gianna Muir Robinson, Disaster Relief Coordinator, Jewish Family Service of San Diego
Cathy Mason, Office Manager, Trinity Baptist Church
Olga De Jesus, Program Coordinator – Failure to Thrive Program, Harbor UCLA Medical Center
Lane Tobias, Activist/Community Blogger, Mother Earth/OBrag.org
Hallie Roth, Case Management Supervisor, Jewish Family Service of San Diego
Sandy Rechtschaffen, Social Justice Coordinator, Congregation Emanu-El

Individuals:

Evonne Silva, Al Sheahen, Hilda Chan, Judy Karas, Creagh Miller, Susan Roberts, Michael Keenan, Lisa Joy

cc.

Julie Paradis, Administrator for Food and Nutrition Services, USDA
Jessica Shahin, Associate Administrator for SNAP, USDA FNS
David Lazarus, Senior Advisor to the Secretary, USDA
Allen Ng, Regional Administrator, USDA FNS Western Regional Office
Dennis Stewart, Regional Director for SNAP, USDA FNS Western Regional Office