Speaker Ryan's Poverty Plan - Blocking Opportunity for Low-Income Californians Joint Statement: June 6, 2016

Tomorrow, United States House Speaker Paul Ryan is <u>unveiling his long-awaited economic plan that will</u> <u>include several policies posited to address poverty</u>. While the plan is expected to have some provisions that are broadly accepted as important measures to reduce poverty and increase opportunity, like expanding Earned Income Tax Credit (EITC) to more low-income workers or modest criminal justice reform, anti-poverty advocates and service organizations are bracing for the worst.

While policy details are not expected from the announcement, Speaker Ryan's previous plans and statements, including several made during his <u>Poverty Summit held last summer</u>, provide alarming context. The Speaker's 2014 proposal for block granting (sometimes referred to as flexible spending) Medicare and the Supplemental <u>Nutrition Assistance Program (SNAP)</u> would have cut \$1 Trillion from those programs over 10 years. Recently, in the <u>House Child Nutrition Reauthorization</u>, he has proposed removing national entitlement to and protections against discrimination in the National School Lunch Program.

History Shows that Block Grants Will Block Opportunity to Exit Poverty

2016 marks the 20th anniversary of the Personal Responsibility and Work Opportunity Act of 1996 that infamously 'ended welfare as we knew it' <u>similarly formulated block-granting to Aid to Families with</u> <u>Dependent Children (AFDC)</u>, which ended protections against deep poverty for America's children. The PROWA Block-granting the TANF program has had "<u>potentially devastating long-term consequences for children</u> growing up in families with little or no cash income to meet basic needs." Even those who played a central role in crafting the 1996 Personal Responsibility and Opportunity for Work Act (PROWA) has recently <u>suggested</u> that its impact on children and families has been too harsh.

Anti-Hunger Programs Should Be Strengthened, Not Weakened

Federal anti-hunger programs like the Federal School Lunch Program and the SNAP program are essential, not only to prevent hunger and some of the worst outcomes of poverty, but also to communities and retailers who depend on shoppers paying with SNAP when their income falls short. Whatever the fine print, slashing our safety net would be devastating for California. California already has the <u>nation's highest poverty rate</u> – nearly 1 in 4 – because of our unprecedented costs of living. Here are just a few of the worst ways that Speaker Ryan's plan would block opportunity for California:

- Since <u>every \$1 Billion in SNAP benefits creates at least 10,000 jobs</u>, benefit erosion and loss of entitlement from block-granting SNAP would significantly impact jobs in Californians farming and retail industries.
- Nutrition and health safety net programs protect <u>millions of Californians from long-lasting harm of</u> <u>poverty</u>. Undermining federal protections against the long arm of deep poverty is dangerous.
- Federal anti-hunger programs are most important during economic downturns, a lesson we learned during the Great Recession. Undermining the federal right to anti-hunger benefits weakens the ability of the programs to respond to recessionary times.

<u>We join with hundreds of organizations across the country in calling on federal lawmakers to strengthen, not</u> <u>weaken, national anti-hunger programs and to oppose H.R. 5003</u> that will undermine access to health food for children through the Federal School Meal Program.

For more information about this statement, contact: Jessica Bartholow, Western Center on Law and Poverty at <u>ibartholow@wclp.org</u> or Andrew Cheyne, California Association of Food Banks at <u>andrew@cafoodbanks.org</u>. To sign the national petition to stop block-granting of the National School Meal Program, go to: <u>http://preview.tinyurl.com/CA-Stop-Block</u>