



# Navigating the SNAP Cliff (Part 1): Building Bridges to Scale High Impact SNAP E&T Programming



When public benefit programs succeed in not only helping families meet their basic needs, but in connecting them to career pathways that lead to family-sustaining wages, our communities thrive, and we all benefit. For Supplemental Nutrition Assistance Program (SNAP) participants, programs such as SNAP Employment and Training (SNAP E&T) provide vital services to remove barriers to employment and engage individuals in highly effective work activities that help families achieve economic mobility.

Yet current SNAP rules create an unintended and significant benefit cliff that can greatly hinder participants who are investing in their economic futures. Benefit cliffs, or the “cliff effect,” refer to sudden, unexpected decreases in or loss of government benefits that often occur with a small increase in wages. While federal law currently makes it harder for SNAP recipients to engage in work programs proven to boost the economic prospects of families and support their transition off public benefits, an easy solution to remedy this problem lies at our fingertips.

### This brief will address:

- 1 What is work-based learning, and how does it differ from unsubsidized employment?
- 2 In addressing this benefit cliff in the 2023 Farm Bill, how might we incentivize individuals to continue to invest in their economic futures?
- 3 Once on SNAP, individuals might be enrolled in any number of federal work-based learning programs. Is there a way to create a consistent standard that would disregard their subsidized wages, regardless of the federal funding source of the work-based learning program?

## The Work-Based Learning Quagmire in SNAP

In the 2018 Farm Bill, Congress took a major step forward by adding subsidized employment, apprenticeships, and other activities that improve employability of individuals through work experience or training as eligible services to provide through SNAP E&T. These services, referred to in SNAP as “work-based learning,” provide individuals with valuable opportunities to gain the skills, experience, and credentials they need to secure long-term, family-sustaining employment and have a proven track record of effectiveness.<sup>1</sup> The addition of work-based learning as a work activity offered the chance for SNAP E&T programs to connect into the broader workforce development system to partner with non-profit, community-based social services providers, community colleges, and workforce agencies to provide work experiences for participants that would equip them to compete in the job market and often receive pay in these transitional training positions.<sup>2</sup> Not only does



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compensating participants encourage engaged learning and work performance, studies also reveal that subsidized jobs correlate with participants' perceived financial well-being, happiness, and mental health.<sup>3</sup> By subsidizing these work-based learning programs, states give participants opportunities to find new pride in their work and build financial capability.

While these expansions were a strong step forward for the national SNAP E&T system, the new legislation created an inadvertent benefit cliff: SNAP recipients ready to invest in their economic futures who enroll in subsidized work-based learning programs offered through their SNAP E&T services are paid a reasonable wage in their transitional jobs. As a result, they are no longer eligible for SNAP and are simultaneously forced off their training program as well. Though they may reapply for SNAP benefits, they are likely hesitant to continue to pursue advanced earnings. Transitioning off government assistance should not create such a risk for SNAP participants.



**“At a time when skilled employment opportunities abound—especially in trade and technical positions—work-based learning activities like pre-apprenticeships and on-the-job training are needed now more than ever. Efforts to promote ‘learn and earn’ models through our voluntary SNAP E&T program have been held back by a loophole that encourages states to offer these services but makes participants immediately ineligible for SNAP and therefore SNAP E&T service due to wages paid by the training program itself. A workforce development model cannot be effective when the mere act of enrolling in the program makes the participant ineligible for its benefits as is currently often the case with paid SNAP E&T programming. The ability to disregard wages and stipends paid by E&T programs would provide states with a powerful tool to connect SNAP recipients to living-wage careers, help them become self-sufficient, address key worker shortages, all while slowing the cliff-effect from the transition to gainful employment from benefit receipt.”**

- Hoa Pham, Deputy Secretary, Office of Income Maintenance, Pennsylvania Department of Human Services



### **The Solution: Disregarding Income from Work-Based Learning Programs**

Fortunately, we can leverage proven solutions to navigate this quagmire: with the addition of a clause that clearly disregards work-based learning programs' subsidized wages from states' eligibility determinations of SNAP recipients, participants no longer need to choose between work experience and food security. This “fix” is not new; it is already inconsistently applied to SNAP recipients participating in programs funded under the Workforce Innovation Opportunity Act (WIOA).<sup>4</sup> Extending this policy across federal work-based learning programs is critical for state agencies to design on-ramps for SNAP participants to start or advance their careers and compete for family-sustaining jobs.

Given the diversity of SNAP users, various workforce development options are available to SNAP recipients. Over 40 million Americans receive SNAP benefits. Some have children, some have cars, some have marketable credentials, while others are childless, rely on public transportation, and have not yet developed priority job skills. By ensuring subsidized work-based learning wages are consistently disregarded across government workforce programs, Congress can align pathways for SNAP participants to gain skills, obtain employment, and contribute to their communities.



### Federal Work-Based Learning Options for SNAP participants

SNAP participants engage in a wide variety of programs that offer relevant work experience and may also provide subsidized compensation.

**SNAP E&T:** Many SNAP participants enroll in work-based learning programs financed through their state's SNAP E&T funds. A state's E&T program may offer paid opportunities such as apprenticeships, work experience programs, or other blended training designs that pair classroom instruction with on-the-job training to help participants gain work experience, develop new skills, and increase their employability.<sup>5</sup>

**WIOA:** Included as a core part of the Workforce Innovation Opportunity Act (WIOA), work-based learning programs might include paid internships, short-term employment, apprenticeships, and fellowships.

**TANF:** In TANF, on-the-job training and subsidized employment are eligible work activities to meet families' work participation requirements; however, if states offer TANF participants wages for their involvement in a TANF work program, these earnings often translate to families' ineligibility for TANF cash assistance and SNAP food assistance, creating a precipitous benefit cliff for families as they gain in-demand job skills.

**Refugee Employment:** The Refugee Career Pathways (RCP) program,<sup>6</sup> established by the Office of Refugee Resettlement in 2018, addresses resettled refugees' barriers to pursuing professional careers. These work activities often include subsidized opportunities for on-the-job skill development.

**Vocational Rehabilitation:** Designed for individuals with varying abilities, vocational rehabilitation programs address unique barriers that these individuals face when building job experience and might compensate workers with subsidized wages.

**Other programs that satisfy ABAWD work requirements:** The variety of workforce development options available ensures job seekers can find opportunities to cultivate job skills that meet their needs and support their career goals. Any of these programs might offer subsidized job training components. When a work-based learning program helps a SNAP participant fulfill the ABAWD work requirement,<sup>7</sup> this program should not concurrently make the individual ineligible for their SNAP benefit.



### In Conclusion:

Disregarding wages from work-based learning programs is a common-sense solution to help SNAP participants keep food on the table while investing in the employment training they need to advance their careers. In fact, one bipartisan example of a solution to address this benefit cliff, the Training and Nutrition Stability Act (TNSA), was introduced in May 2023 by Representatives Adriano Espaillat (NY), Marc Molinaro (NY), Max Miller (OH), and Alma S. Adams (NC). A change like this one in the 2023 Farm Bill—consistently disregarding subsidized wages from SNAP eligibility determinations—would strengthen SNAP E&T and better meet the needs of the SNAP recipients states are charged to support and equip. To further discuss the mechanics of the work-based learning benefit cliff and how it could be addressed in the 2023 Farm Bill, please reach out to [Matt Lyons](#), Senior Director of Policy and Practice, or [Rebekah Sides](#), Policy Associate for Social and Economic Mobility.

Read APHSA's [full list of recommendations for the 2023 Farm Bill](#). To see the latest in our policy brief series, *The Path Forward: State and Local Policy Priorities for the 2023 Farm Bill*, and our blog series, *Making the Sauce: Ingredients for People-Powered Policymaking*, check out our [website](#).

### Endnotes

- <sup>1</sup> In an evaluation of the 2014 SNAP E&T pilots, in 5 pilot sites interventions measuring outcomes in parents' wages demonstrated that integrated work-based learning is a critical component in helping families achieve an increase in long-term earnings of \$2,000/year or more. See <https://fns-prod.azureedge.us/sites/default/files/resource-files/SNAP-ET-FinalReport.pdf>
- <sup>2</sup> <https://www.gao.gov/assets/700/696222.pdf>
- <sup>3</sup> See [https://www.acf.hhs.gov/sites/default/files/documents/opre/sted\\_la\\_2016\\_execsummary\\_b508.pdf](https://www.acf.hhs.gov/sites/default/files/documents/opre/sted_la_2016_execsummary_b508.pdf) and <https://journals.sagepub.com/doi/full/10.1177/00027162221115486>
- <sup>4</sup> See 7 CFR 273.9(c)(10)(v). Allowances, earnings, or payments (including reimbursements) to individuals participating in programs under the Workforce Investment Act of 1998, except on-the-job training programs under Title 1 of the Workforce Investment Act of 1998. See 7 CFR 273.9(b)(1)(v).
- <sup>5</sup> See FNS' guidance on how subsidized work-based learning programs are defined: <https://www.fns.usda.gov/snap/snap-et-subsidized-work-based-learning-activities>
- <sup>6</sup> See <https://www.acf.hhs.gov/orr/programs/refugees/refugee-career-pathways#:~:text=The%20Refugee%20Career%20Pathways%20program%20was%20established%20by%20the%20Office,careers%20in%20their%20new%20communities.>
- <sup>7</sup> See <https://www.fns.usda.gov/snap/work-requirements>.