

STATE REPRESENTATIVE • 39TH ASSEMBLY DISTRICT

Testimony on Assembly Bill 935

Assembly Committee on Public Benefit Reform February 8, 2022

Chairman Krug and members of the Assembly Committee on Public Benefit Reform. Thank you for allowing me to speak in favor of Assembly Bill 935, relating to the FoodShare employment and training requirements and drug testing.

Inflation is the highest it has been since 1982. One of the contributing factors is our lack of workers which is exacerbating our supply-chain challenges. Job openings are at the highest levels on record and there are over 100,000 fewer workers now compared to prior to the pandemic. Because of this, while not the sole solution, the state should be doing everything possible to get able-bodied workers into the workforce and off of public assistance.

Unfortunately, we have a Governor that seems to be doing everything possible to not get people back to work. The Governor has proposed repealing a number of workforce programs in his two budget submittals. One of which is impacted by this bill. He not only wants to repeal these programs, but has tried to expand and increase the benefits in 23 other public assistance programs.

This bill would require the Governor through the Department of Health Services to implement the FoodShare Employment and Training program. There are current statutory requirements to implement work requirements for ablebodied adults without dependents (ABAWDs), able-bodied adults with school-aged dependents, and drug screening for able-bodied adults without dependents. The Governor is not implementing any of these programs even though he is required under state law to do so.

Able-bodied adults without dependents were required to meet work requirements to receive FoodShare benefits beginning April 1, 2015. These ABAWDs are allowed 3 months in a 36 month period of FoodShare benefits without meeting these requirements. Beginning even prior to the pandemic, on October 1, 2019 Governor Evers began exempting ABAWDs in certain counties and tribes from these requirements. On October 1, 2019 the state unemployment rate was 3.3%.

Governor Evers used various exemptions to suspend work requirements for ABAWDs. These were scheduled to end at the end of September 2021. Evers requested and received another waiver of the time limits and work requirements of FoodShare for another year through September of 2022. Evers' rationale was that Wisconsin was eligible for extended unemployment insurance benefits in October of 2020...15 months ago. Wisconsin has not qualified for extended unemployment benefits since November 7, 2020.

There are currently roughly 130,000 jobs posted on the Job Center of Wisconsin website and the Wisconsin job openings rate is hovering around an all-time high. Total job openings were estimated to be 210,000 in October of 2021.

With record job openings, he is making it easier for able-bodied adults without children to receive food benefits without looking for work. This bill would require the program to be implemented. Supporting this bill is one thing the state can do to help alleviate our workforce and supply chain issues. Thank you for your consideration. I am happy to take any questions.



PATRICK TESTIN STATE SENATOR

DATE:

February 8th, 2022

RE:

Testimony on 2021 Assembly Bill 935

TO:

The Assembly Committee on Public Benefit Reform

FROM:

Senator Patrick Testin

Thank you Chairman Krug and members for the opportunity to speak today in support of Assembly Bill 935 (AB 935).

Since I took office, I've tried to work at least one day per month with a business in my district. I do this to demonstrate the variety of prospects in Central Wisconsin and to see for myself the challenges and opportunities that businesses are facing. In January, I worked at Pointe Precision, a growing manufacturer located in Plover. This company offers good wages and working conditions, yet they continue to struggle to find workers. This is not an isolated incident.

Companies across the state are making it known that we're facing a workforce shortage – but Wisconsin's Department of Health Services (DHS) continues to waive the rules surrounding FoodShare. This isn't right.

AB 935 requires DHS to enforce work requirements for those who are able to work that were codified in 2017 Act 370.

Further, this legislation removes DHS's ability to waive these requirements without either complying with the current law process or submitting a waiver proposal to the Joint Committee on Finance.

With businesses around the state clamoring for workers, Wisconsin can't afford to pay people not to work.



State of Wisconsin Department of Health Services

Tony Evers, Governor Karen E. Timberlake, Secretary-Designee

TO: Members of the Assembly Committee on Public Benefit Reform

FROM: HJ Waukau, Legislative Director

DATE: February 8, 2022

RE: Assembly Bill 935, relating to: FoodShare work and FoodShare employment and training

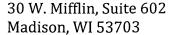
requirements and drug testing.

The Wisconsin Department of Health Services (DHS) would like to thank the Committee for the opportunity to submit testimony for information only on Assembly Bill 935 (AB 935), regarding enforcement of work and drug-screening requirements for able-bodied adults and able-bodied adults without dependents (ABAWDs) for the state's FoodShare program. AB 935 would require DHS to immediately withdraw from any waiver that currently suspends the time limit related to the ABAWD work requirement. It would also prohibit DHS from waiving ABAWD requirements either under existing current statutory processes, or if not applicable, submitting a waiver proposal to the Joint Committee on Finance for passive review.

Under the Families First Coronavirus Response Act P.L. 116-127 (FFCRA) it was mandated that all ABAWDs not be subject to various eligibility restrictions during the public health emergency (PHE). This provision effectively eliminated previously accrued time limited benefits for FoodShare recipients and required states to implement a "clean slate" for ABAWDs. In doing so, any previously accrued time limited benefit months must be removed and all ABAWDs would restart their benefits at zero months. Wisconsin's current waiver is effective until September 30, 2022. If the state were to rescind its waiver it would be out of compliance with FFCRA until June 26, 2022.

Additionally, § 2301 of FFCRA mandates that throughout the federal PHE declaration, eligibility for Supplemental Nutrition Assistance Program (SNAP) benefits can't be limited under the work requirement provisions in §6(o)(2) of the Food and Nutrition Act of 2008, unless an individual does not comply with specified work requirement standards. Wisconsin initially applied for and received a "good cause" exemption from FNS under the Trump Administration to temporarily suspend the ABAWD work requirements. Approximately 45,000 ABAWDs are impacted by the current waiver suspension, and it is unknown at this time how FNS would respond to a request from the state to withdraw its waiver regarding ABAWD time limits.

DHS thanks the Committee for the opportunity to provide written testimony for information only and offers its services as a resource for the Committee.





To: Members of the Assembly Committee on Public Benefits Reform

From: Peter Bakken, Coordinator for Justice and Witness, Wisconsin Council of Churches

Date: February 8, 2022

Re: Testimony in opposition to Assembly Bill 935

The Wisconsin Council of Churches (WCC) is a network of Christian churches and faith-based organizations committed to working together across our many differences. We connect 21 Christian traditions, which have within them approximately 2,000 congregations and over one million church members. Exercising holy imagination, we help one another make courageous choices that lead toward peacemaking, social and economic justice for Wisconsin's most vulnerable residents, the vitality of the church, and the well-being of our neighbors.

Our faith teaches us that our moral and spiritual health depends on whether and how we support the well-being of all of us, whatever our level of income, where we come from, or what we look like.

In order for a community or state to thrive, every resident must have access to safe, nutritious food. FoodShare is essential for people who are unable to work or who can't find decent, dependable, self- or family-supporting jobs. So, it is important to all of us that the program can do what it is supposed to do: give people a dignified way to meet their food needs.

But AB 935 would prevent many people from getting the food they need, especially in hard economic times. It would reimpose inefficient and humiliating drug-testing requirements. It would mandate one-size-fits-all work requirements that fail to consider real obstacles to employment like being unable to find adequate transportation or affordable child care.

AB 935 also adds burdensome requirements for legislative action or committee review that would prevent FoodShare from responding quickly and efficiently to times of high unemployment, recession, or economic downturn.

The purpose of FoodShare is to help low-income and struggling families and individuals meet their nutritional needs — not to promote work or combat drug addiction. Cutting off access to food in an attempt to force someone into employment or drug treatment is neither compassionate, nor just, nor effective.

We urge you to reject AB 935.

Thank you for considering our testimony.



February 8, 2022

Chairman Krug and members of the Assembly Committee on Public Benefit Reform, thank you for the opportunity to submit testimony related to Assembly Bill 935 – FoodShare work and FoodShare employment and training requirements and drug testing. I want to make three key points.

First, although Wisconsin's economy has largely recovered from the early effects of the COVID-19 pandemic that started in March 2020, employers continue to struggle to find workers, and worker shortages remain a substantial concern for the near term.¹

Second, state policies that delink public benefit receipt from employment can make worker shortages worse.

Third, Assembly Bill 935 – FoodShare work and FoodShare employment and training requirements and drug testing – will reduce the work disincentives associated with FoodShare and can help address long-term labor force participation problems in Wisconsin.

Wisconsin's Economy

According to data compiled by the Wisconsin Department of Workforce Development, the unemployment rate for Wisconsin was 2.8 percent in December 2021 and the labor force participation rate was 66.4 percent.² Both statistics are better than the U.S. as a whole, and rates have returned to pre-pandemic levels. While these data show that Wisconsin's economy has largely recovered from the pandemic, trends in labor force participation and employment rates suggest that state-level policies to promote work could still be needed.

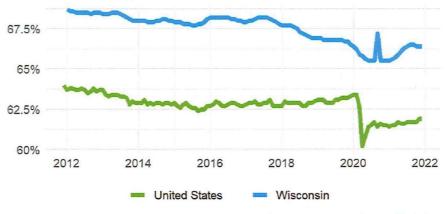
Wisconsin data compiled by the U.S. Joint Economic Committee show that declines in labor force participation rates (among those 16 and older) predated the pandemic. Similarly, employment-to-population ratios were also declining prior to the pandemic. We can attribute much of this to an aging population, but it also highlights the need to implement state-level policies that maximize employment among working-age people.

¹ https://www.badgerinstitute.org/BI-Files/Reports/IfprBadgerReport_Labor_Summer2018_web_final_02.pdf

² https://dwd.wisconsin.gov/press/unemployment/2022/220120-december-state.pdf.

Wisconsin and U.S. Labor Force Participation Rates

(Percent, Seasonally Adjusted)



Source: Bureau of Labor Statistics

Wisconsin and U.S. Employment-to-Population Ratios

(Percent, Seasonally Adjusted)



Source: Bureau of Labor Statistics

Source: Wisconsin Employment Report, Joint Economic Committee, Senator Mike Lee, January 25, 2022.

Policies That Promote Work

State policymakers have some discretion in how federal benefit programs operate in each state. For example, the Supplemental Nutrition Assistance Program (SNAP), formerly called Food Stamps, gives states the authority to implement work requirements and time limits. Work requirements in SNAP can be important because research shows that SNAP (without a work requirement) reduces employment levels.³

³ Hoynes and Schanzenbach, "Work Incentives and the Food Stamp Program" Journal of Public Economics, 2012, https://www.sesp.northwestern.edu/docs/publications/441059376551ec428c2efd.pdf.

However, the federal government also gives states the ability to waive requirements, which all states did at some point during the pandemic. As I noted in a November 2021 piece for the Badger Institute⁴, "To help households cope with the economic fallout of the pandemic, the federal government expanded a range of benefits — more unemployment benefits, cash stimulus payments and increased food and housing assistance. While these expansions in the spring and summer of 2020 may have been justified at the time, lawmakers now need to focus on the economic recovery, including rolling back government assistance." One such step was to allow federal unemployment benefits to expire in Wisconsin at the beginning of September 2021. It is likely *not* coincidental that the unemployment rate in Wisconsin dropped to record lows only after that policy change.

Changes to FoodShare in Assembly Bill 935

In an October 2021 report for the Badger Institute, I noted that participation in SNAP (called FoodShare in Wisconsin) had increased dramatically since the start of the pandemic, continuing to increase even as Wisconsin's economy recovered.⁵ Since that report came out, FoodShare participation has started to decline, but it remains more than 15 percent higher than the months before the pandemic started even though the unemployment rate has returned to pre-pandemic levels.⁶

One likely reason for the elevated FoodShare caseload is that Wisconsin still has a waiver from the federal government that suspends the work requirement for able-bodied adults without dependent children receiving FoodShare. Assembly Bill 935 rightly ensures that Wisconsin reinstates the work requirement, which 22 other states also currently have. The intent of the waiver is to ensure that federal law does not expect states to impose a work requirement on FoodShare recipients when jobs are scarce. Clearly, with an unemployment rate in Wisconsin of 2.8 percent, jobs are not scarce.

Assembly Bill 935 also ensures that the Department of Health Services complies with the 2018 law that required them to impose work requirements on other FoodShare recipients, with exceptions for caretakers and those incapable of work.⁸ The State Legislature allocated funding for education and training slots for FoodShare recipients subject to the work requirements passed in 2018. The best chance for FoodShare recipients to escape poverty and move up the income ladder is to find employment. FoodShare should help them find employment and require participation in work activities as a condition of receiving benefits. The Department of Health Services should comply with that law.

Angela Rachidi, Badger Institute Visiting Fellow

⁴ https://www.badgerinstitute.org/News/2021-2022/Wisconsin-must-tackle-labor-shortage.-That-means-rolling-back-expanded-aid.htm.

⁵ https://www.badgerinstitute.org/BI-Files/Reports/Badger-Emp-Safety-Net-PB-beta05.pdf

⁶ Department of Health Services FoodShare Data, https://www.dhs.wisconsin.gov/foodshare/rsdata.htm.

⁷ https://fns-prod.azureedge.net/sites/default/files/resource-files/FY22-Quarter%202-ABAWD-Waiver-Status.pdf

⁸ https://docs.legis.wisconsin.gov/2017/related/acts/370



WISCONSIN CATHOLIC CONFERENCE

TO: Members, Assembly Committee on Public Benefit Reform

FROM: Kim Vercauteren, Executive Director Jan Vacantus

DATE: February 8, 2022

RE: Assembly Bills 934, 935, & 936, FoodShare and Medicaid Continuing Eligibility

On behalf of the Catholic bishops of Wisconsin, we respectfully urge you to oppose Assembly Bills 934, 935, and 936, which limit access to programs that allow vulnerable persons to receive medical care and food assistance. Now, more than ever, we must ensure that people have the resources necessary to recover from the ongoing pandemic.

The WCC has opposed efforts to condition food or health care supports upon a person's productivity. Public assistance programs exist to aid vulnerable individuals and families whose situation prevents them from being able to meet basic needs. Frequently, those who most need FoodShare and Medicaid benefits are facing a myriad of challenges, some of which may be lifelong. Addiction, trauma, illness, accidents, and the loss of family, housing, or employment can all stymie efforts to build stability. The goal of these programs is to accompany vulnerable individuals as they build the stability necessary to move out of poverty.

Today, we all have experienced the universal challenge of a pandemic and many continue to face heightened uncertainty. Employees do not know how or when their work will be interrupted by infections in their home or workplace. Many are experiencing the long-term effects of COVID-19 and families are dealing with the loss of loved ones. Finally, all are experiencing heightened food, heating, and other costs associated with widespread inflation.

Assembly Bill 935. In response to the pandemic, the State of Wisconsin suspended efforts to enforce FoodShare work requirements and did not seek further implementation of drug testing and FoodShare Employment and Training (FSET) requirements. The pandemic is still with us, so it is appropriate that these suspensions continue. It is also worth noting that our Catholic food pantries, Society of St. Vincent de Paul Conferences, and other charities across the state assist families in need, regardless of health condition, drug addiction, or employment status. These charitable agencies have learned that underlying and untreated mental health issues often prevent individuals from seeking and maintaining work and lead them to self-medicate with drugs and alcohol. Assembly Bill 935 would require that these individuals, struggling to return to normalcy, dedicate further time, transportation, and resources towards compliance with drug testing, treatment, and FSET requirements.

Before the pandemic, effective trauma-informed drug treatment programs were too few, but current access to treatment, especially in-person treatment, has been further limited by the

pandemic. Times of stress can foster relapses, making successful participation in FSET more difficult. In a time of rising food costs and uncertainty, we must remove, not increase, these impediments to alleviating hunger.

Assembly Bills 934 and 936. In a similar way, Assembly Bills 934 and 936 make it more difficult to retain health care coverage during the pandemic. Assembly Bill 934 would require that the Wisconsin Department of Health Services (DHS) determine an individual's eligibility every six months. Currently, most Medicaid recipients must complete a program renewal at least once a year to determine ongoing program eligibility.

Health care is a basic human right and access to health care for all has been a policy goal of the U.S. bishops since 1919. It is important to remember that those who currently receive Medicaid are individuals who are elderly, blind, disabled, pregnant, with chronic conditions or diseases, children and their parents, or individuals living in poverty. By definition they are in need of services and do not have access to the resources necessary to receive treatment and medications without Medicaid. These are individuals and families who are likely struggling to meet home and transportation expenses, as well as meeting the basic needs of their loved ones. They frequently must transition from one home to another, as well as from one employment situation to another, changing addresses, phone numbers, and earnings along the way.

Without the follow-up and case management needed to help Medicaid recipients better assess how to exit poverty and manage the demands of daily life, repeated six-month eligibility reviews become administratively burdensome to both the State and Medicaid participants. The requirement will lead to missed deadlines, appointments, treatments, and medications, rather than a meaningful path towards self-improvement. Many will not even realize that their coverage has lapsed until care is needed.

Assembly Bill 936 would punish able-bodied, adult Medicaid participants up to age 65 who do not accept an offer of legal, paid employment or an offer of increased work hours or wages. There is no accounting for when those hours are scheduled, the benefits that may accompany the offer, or whether it is a position that offers any kind of long-term advancement. There is no exception for those who may have retired spouses living at home who do not meet the definition of being "dependent," but may still require greater attention and care. Assembly Bill 936 does not acknowledge those who might not be able to hazard the added anxiety or responsibility that comes with increased hours and wages. Still others may be coping with life-limiting conditions or progressive illnesses and may wish to opt for less than a 40-hour workweek.

Under both AB 934 and AB 936, a failure to disclose information in a timely manner can result in a six-month suspension from the Medicaid program. In effect, these bills will force individuals to place immediate employment considerations above family and health commitments and long-term employment strategies. These bills place productivity above individual health and family responsibility and force vulnerable people to take the best short-term offer placed in front of them, regardless of other considerations.

Finally, it is important to note the impact all three bills will have on private charitable actors. Depriving the poorest among us of needed food and health care will only shift the burden to the

hundreds of private charities, Catholic and other, which are already overwhelmed. While as Catholics we stand ready to serve the common good, we cannot be expected to serve more with less.

In conclusion, reforming public assistance programs so as to reduce poverty and dependency requires the involvement of government and the private sector working cooperatively. Reforms must ensure that people in poverty do not become targets, but rather that they receive the supports and services appropriate to their needs. Self-sufficiency and self-determination require that those in poverty be listened to and respectfully engaged. Overly bureaucratic and punitive measures to reduce fraud and encourage responsibility all too often have the opposite effect of deepening hopelessness and further impoverishing the most vulnerable. The problem of poverty requires a holistic approach, something that our Catholic Charities agencies and Society of St. Vincent de Paul councils are adept at doing. Everyone has an interest in reducing drug dependency, improving health, and encouraging labor force participation. We urge you not to tie the hands of our state's most vulnerable individuals by enacting laws that limit their recovery, but instead work together to improve the lives of all of Wisconsin's residents.

Thank you.



2850 Dairy Drive Madison, WI 53718 p: 608-478-2882 f: 608-478-2005 www.FeedingWI.org

February 7, 2022

Chair Scott Krug and The Hon. Committee Members
The Assembly Committee on Public Benefits Reform
c/o: John Reinemann, Committee Clerk
State Capitol
PO Box 8952
Madison, WI 53708

Re: AB 935 FoodShare work and FoodShare employment and training requirements and drug testing.

Dear Chairman Krug and Members of the Public Benefits Reform Committee:

I am writing on behalf of Feeding Wisconsin to share our positions on AB 935 – that will be heard in committee on February 6, 2022.

Feeding Wisconsin is the state association of the six regional Feeding America affiliated food banks that provide food to almost 1,000 local food programs in all 72 counties of the state. Together, Feeding Wisconsin's network provided 86 million pounds of food to Wisconsinites in every corner of our state in 2021, an increase of 75% over 2019. Through our food banks and food pantries, we work to ensure that everybody has access to the food and benefits they need to work, learn, play and live healthy lives.

Before the pandemic, food insecurity levels were the lowest they had been in 20 years, yet 515,930 Wisconsinites experienced hunger. COVID-19 increased the need for food resources. Federal and State nutrition programs and food distribution and programs of our network's food banks and pantries helped to mitigate food insecurity rates. Feeding America estimated that in CY2021, 605,650 Wisconsinites or 10.4% experienced food insecurity.¹ And about 40% of those coming through our pantries and mobile distribution lines have never relied on the emergency food network before.²

We oppose AB 935 which would remove the state's ability to suspend the work requirement and require drug testing for FoodShare applicants.

FoodShare is the Wisconsin name for the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps), a federal nutrition assistance program that provides individuals and families living with low and no incomes with a modest monthly benefit (about \$268 per month, per person³) to buy food at supermarkets, farmers markets, convenience stores, and retail stores that sell groceries. These benefits are delivered on an EBT card and are strictly monitored by the state that administers the program, the federal government that authorizes the program, and the major banks that facilitate the benefit delivery.

FoodShare recipients are comprised of approximately 39% children. 45% of assistance groups or households have at least one member that is elderly, blind or disabled. We know that in large part, those who are able to work, do work, oftentimes low wage jobs. We also know that FoodShare recipients do not represent a population more likely to use drugs.

³ https://www.dhs.wisconsin.gov/foodshare/ataglance202112.pdf













¹ https://www.feedingamerica.org/about-us/press-room/local-food-insecurity-projections

² https://feedingwi.org/data research/covidpulsesurvey.php

FoodShare Work Requirements

This bill will require the Wisconsin Department of Health Services to end the suspension of the Able-Bodied Adults Without Dependents (ABAWD) work requirements—a three month time limit for childless adults who are working fewer than 80 hours per month. The state has currently suspended the requirement and the federal waiver is currently set to expire September 2022.

The pandemic exacerbated food insecurity in Wisconsin. We quickly learned that many of our friends and neighbors needed additional help putting food on their tables. While we know that for those who can work, a good job is the best ending hunger tool, we also know that mandating work requirements, especially as we are still recovering from the pandemic, does not address the real challenges that many of our neighbors face when trying to engage with the labor and training market, such as access to affordable, quality childcare and transportation.

ABAWDs make up a small percentage of FoodShare participants. For the ABWADs who are out of work, many are often dealing with some of the hardest circumstances in life, such as chronic homelessness, undiagnosed medical conditions, or mental disorders. These circumstances make them extremely hard to reach with services.

While the economy may be recovering now, this legislation would eliminate the Governor's authority to respond to tough economic times and would eliminate any ability to temper the effects of a new recession or economic downturn in any part of the state. We need to ensure that when the next crisis hits and many people suddenly find themselves out of work, not working enough hours, or living in a community where good jobs are no longer available, that FoodShare is available to provide the nutrition individuals need to get back on their feet and lead a healthy and productive lives.

Drug Testing Requirement for FoodShare eligibility

This bill will also make drug testing a requirement for FoodShare eligibility. We need to remember that the core purpose of the FoodShare program is to ensure that people have the food they need to get through hard times and work to stabilize their lives. That's why the program was created and that's how a vast majority of Wisconsin families are utilizing the program. Currently, Wisconsin already tests people with past felony drug convictions as a condition to receive FoodShare benefits, and so this provision is redundant and an inefficient use of state resources and tax payer dollars. The proposal to drug test FoodShare applicants creates unnecessary barriers for individuals and state and county administrators in the application process.

<u>Drug testing is expensive</u>. Current estimates of the cost of drug-testing programs range from \$92,500 to \$20 million.⁴ A reduction in caseloads that states expect to occur upon implementation of drug-testing does not necessarily produce a net savings for states.⁵

If Wisconsin were to limit FoodShare drug screening to Non-Exempt Able-Bodied Adults without Dependents (ABAWDs), this would result in over 60,000 recipients tested. Assuming a cost of \$25/per test, the policy would result in a cost of \$1.5 Million dollars in taxpayer money for a program that has been shown at best to be ineffective in state-after- state across the country. The cost does not include additional administrative costs for worker time, increased ABAWD visits to the welfare offices, scheduling, collecting, and processing drug screens and tests. When Governor Walker's administration proposed drug testing of SNAP applicants and recipients, his administration estimated that a small fraction of the program's applicants, about 220, or 0.3 percent, of the 67,400 ABAWDs at that time, would actually test positive. Given the average current benefit amount of \$263,

⁴ U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation. (2011). Drug testing welfare recipients: Recent proposals and continuing controversies. Retrieved from http://aspe.hhs.gov/hsp/11/DrugTesting/ib.pdf

⁵ Ibid.

with these estimated 220 individuals no longer receiving benefits, that would be a benefit savings of \$44,660. The math just doesn't make sense. Drug testing is an inefficient use of state resources and tax payer dollars.

<u>Drug testing is inaccurate</u> because urine screens cannot distinguish between the use of illegal drugs and the legitimate use of certain prescriptions and over-the-counter medications.⁶

<u>Drug testing is difficult to implement</u> because it requires additional staff time to administer the tests, and to monitor compliance and eligibility.¹¹ It also requires modifying facilities to accommodate the testing, and modifying computer programs to include drug testing in the eligibility process, all of which increase costs to the states, which are not included in the standard price of the drug test.⁷

<u>Drug testing increases government inefficiency</u> because drug testing requirements complicate forms and application procedures and lengthen the eligibility process in public offices where case backlogs already exist.

<u>Drug testing is currently illegal under federal law.</u> Drug testing as a requirement for SNAP is only permissible when a state opts to allow those with certain drug felony convictions to receive SNAP benefits, in which case the state may impose certain restrictions, such as a drug test, upon those applicants. Currently, Wisconsin already tests people with past felony drug convictions as a condition to receive FoodShare benefits. Drug testing other FoodShare applicants is not allowed under federal law and is, therefore, illegal. This is because federal law does not permit states, except under the limited circumstance noted above, to add a requirement to the eligibility screening for SNAP benefits.⁸

<u>Drug testing prevents eligible families from seeking public assistance</u> because they are deterred by the stigma of taking a drug test. In states where TANF applicants are required to pay for their own drug tests, the cost could be prohibitive and many people may not apply for benefits simply because they cannot afford it.¹³ In many states, the real result of drug testing is that individuals drop out of the program not because of a positive drug test, but due to failure to take the test in the first place. In Utah, 25% of individuals did not take a drug test. The lack of transportation, funds to pay for a test, notification issues (e.g. failure to receive notice and reach transient populations) and personal objections to a drug test all contributed to citizens losing for assistance.

Finally, these proposals perpetuate a negative stereotype of the people who utilize our services, a vast majority of whom are working hard trying to get back on their feet. If you have ever come to one of our food pantry distributions or seen one of our FoodShare outreach specialists helping someone apply for benefits, you would see that those seeking food and benefits for food are hardworking and resilient, and just trying to get some help to weather the hard times in their lives. As many individuals are getting back in the workforce and stabilizing their lives after the hardship brought on by the pandemic, this is no time to push for policy that creates additional barriers to allowing individuals to access the food they need.

Thank you for your time and careful consideration of our position on AB 935. Please do not hesitate to contact me at sdorfman@feedingwi.org or 608-960-4517 if you have any questions.

Sincerely.

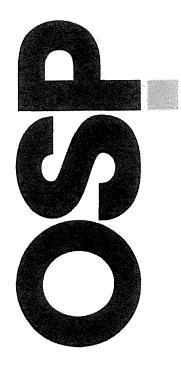
Stephanie Jung Dorfman

Executive Director Feeding Wisconsin

⁶ U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation. (2011). Drug testing welfare recipients: Recent proposals and continuing controversies. Retrieved from http://aspe.hhs.gov/hsp/11/DrugTesting/ib.pdf

⁷ Ibid

⁸ Food and Nutrition Act of 2008, 7 U.S.C § 2014(b) (2008); Food and Nutrition Service, USDA Certification of Eligible Households, 7 C.F.R. §273.2(a) (2011)



Testimony in Support of Assembly Bill 935

February 8, 2022

Chase Martin
Visiting Fellow
Opportunity Solutions Project

Wisconsin works. That is not a catchy slogan. It is a fact. With a labor force participation rate of more than 66 percent, Wisconsin works at a higher rate than the rest of America.

But here's another fact—Wisconsin used to work more. The labor force participation rate was once more than 74 percent (in 1997) and has been steadily declining for the last two decades, long before a worker shortage took over our political debate.

And let me be clear—this isn't a matter of getting frustrated when a drive-thru is closed and we can't get coffee in the morning because there aren't enough workers. This is a matter of driving through whole communities across Wisconsin that are closing down because the ethic of work—the expectation of work—is failing.

So, here's the bottom line: Wisconsin needs to use every tool at its disposal to get folks back to work, to rebuild those communities, and to remind America how Wisconsin works.

And that begins by using every tool available in welfare programs to get able-bodied welfare enrollees back to work.

The bad news is that with the Biden administration limiting flexibility in Medicaid, Wisconsin can only do so much in its biggest program. But the good news is that Wisconsin retains wide latitude over its work provisions in food stamps, a program with more than 100,000 able-bodied work registrants across the state.¹

Assembly Bill 935 doubles down on what has been working in Wisconsin's food stamp policies—most notably a requirement that all able-bodied adults without dependents must work, train, or volunteer an average of 20 hours per week to remain on food stamps no matter where they live.

In other words, Wisconsin has wisely avoided the biggest bureaucratic loopholes used by states like Michigan, Illinois, and Minnesota that exempt all or nearly all of each state from real work requirements.²

That's why the Opportunity Solutions Project is so pleased to support it.

That said, serious challenges remain. Some of those challenges—like the suspension of that work requirement by the federal government—are out of Wisconsin's hands.

But others can be solved, and this is an opportunity to solve them.

The federal government has suspended the more conventional work requirement, but it has not suspended the ability of states to assign able-bodied food stamp enrollees to an employment and training program—which you can think of as a back-door work requirement.³

Even before the pandemic, Wisconsin wasn't using this tool. In 2019, there were 71,200 able-bodied work registrants in Wisconsin—do you know how many were required to participate in employment and training programs? Zero. And fewer than 10,000 were expected to volunteer.⁴

And, on top of that, there's another bureaucratic loophole on the horizon that could effectively gut Wisconsin's work requirement—no-good-cause exemptions. Normally, the department can only exempt up to 12 percent of able-bodied adults without dependents from the work requirement. But because those exemptions have been stacking up, the department here could effectively keep the work requirement suspended—even after the federal public health emergency ends—for an additional year.

So, there is a great need—and opportunity—for pro-work reform. Assembly Bill 935 is a step in the right direction and strengthens the foundation on which Wisconsin's economy has always been built—work, plain and simple.

¹ Scott Centorino, "The Missing Tool: How work requirements can reduce dependency and help find absent workers," Foundation for Government Accountability (2021), https://thefga.org/paper/one-tool-unleash-economic-recovery-solve-labor-crisis/.

² Jonathan Bain, Jonathan Ingram, et al., "Waivers gone wild: How states are still fostering dependency," Foundation for Government Accountability (2019), https://thefga.org/wp-content/uploads/2019/04/WGW2.pdf.

³ Scott Centorino, 'The Missing Tool: How work requirements can reduce dependency and help find absent workers," Foundation for Government Accountability (2021), https://thefga.org/paper/one-tool-unleash-economic-recovery-solve-labor-crisis/.

^{4 2019} State E&T Plan



February 8, 2022

Rep. Scott Krug, Chair Committee on Public Benefit Reform Room 207 North State Capitol P.O. Box 8952 Madison, WI 53708

RE: Assembly Bill 935 is Political Posturing and Nothing More

Dear Representative Krug and Committee Members:

Hunger Task Force is Wisconsin's leading anti-hunger organization. We are a private, non-profit food bank and anti-hunger public policy organization headquartered in Milwaukee, Wisconsin. We provide emergency food free of charge and serve an extensive network of food pantries, shelters, soup kitchens and senior centers across Southeastern Wisconsin. We also have a team of 14 FoodShare Advocates who provide one-on-one assistance to clients at two community resource centers in Milwaukee. We welcome the opportunity to use our expertise to comment on local, state and federal policy that directly impacts our ability to serve Wisconsin communities and have done so since our inception in 1974.

Assembly Bill 935 is entirely unnecessary and preys on dated and offensive tropes of public benefit recipients, namely that they refuse to work and/or abuse drugs. In April 2020, Governor Evers signed into law 2019 Act 185, a comprehensive package designed to strengthen Wisconsin's efforts to fight the COVID-19 pandemic. 2019 Act 185 sought to do many things, but among them remove some administrative barriers during a pandemic. The Act sought to create more efficiencies and cut the "red tape" that might have otherwise made Wisconsin slow to react to an ever-changing pandemic landscape. In passing 2019 Act 185, the Wisconsin Legislature gave the Department of Health Services (DHS) the flexibility to apply for relevant waivers from the USDA related to FoodShare (and others related to Medicaid). Previously, per Wisconsin Statute § 20.940, DHS would have had to submit any proposed waiver requests to the Legislature for review and consent. 2019 Act 185 temporarily suspended this requirement, giving DHS the ability to apply for waivers of various program requirements throughout the Federal Public Health Emergency. It allowed Wisconsin to be proactive and responsive to the needs of individuals on FoodShare and/or Medicaid.

¹ The Federal Public Health Emergency has been in place since February of 2020. It is authorized for a period of 90 days, after which it must be re-authorized or will expire. It currently remains in place through April 16, 2022, at which point it could expire (making this legislation moot) or be extended for another 90 days.





Every sponsor of this current bill and member of this committee voted in support of 2019 Act 185. In fact, over 98% of State legislators voted in favor of that relief package. It remains the law of this State, so long as there is a Federal Public Health Emergency. This bill seeks to undo this emergency authority and cites absolutely no justification for so doing. It calls for an immediate end to two waivers that DHS has received from the USDA regarding FoodShare participants: 1) that all Able-Bodied Adults Without Dependents be required to participate in FSET or be limited to three months of benefits over a 3-year period; and 2) that DHS resume its drug testing program for FSET participants. Most problematic, however, is that the authors of this bill cite no reason for seeking to overturn the legislation it passed granting DHS this waiver flexibility with overwhelming support less than two years ago.

When the Federal Public Health Emergency ends, so does the current policy whereby DHS can apply for waivers without Legislative oversight. This could occur in April, 2022, or sometime thereafter. Wisconsin continues to shine as a model for meeting the needs of its citizens during the pandemic, thanks in large part to the bipartisan legislation from April of 2020. Passing AB 935 would override the will of the majority of legislators and Governor Evers who recognized the challenges posed by a global pandemic. Hunger Task Force strongly opposes this legislation and thanks this committee for their consideration.

Sincerely,

Colin McGinn
Director of Advocacy

LEGAL ACTION OF WISCONSIN

Providing free legal services to low-income Wisconsin clients since 1968 • Proporcionando servicios legales gratuitos a clientes de bajos ingresos en Wisconsin desde 1968

TO: Assembly Committee on Public Benefit Reform

FROM: Abby Bar-Lev Wiley, Legislative Director, Legal Action of Wisconsin

RE: Impact of AB 935/SB 902 on Legal Action's Clients

DATE: February 8, 2022

Thank you for the opportunity to provide comments on AB 935/SB 902. Legal Action of Wisconsin (LAW) is the largest non-profit law firm providing high-quality, free civil legal aid to low-income people in 39 of Wisconsin's southern counties. Our broad reach and expertise means that we see what poverty looks like over a wide swath of the state, from urban and rural areas, from farmworkers to construction workers. One of our priority areas focuses on helping clients secure and maintain the government benefits necessary to meet their most basic needs including food, shelter, health, and income. Legal Action has serious concerns about how AB 935/SB 902 would impact our low-income clients.

AB 935/SB 902 Would Harm Legal Action's Clients and Make it Harder to Rejoin the Workforce

AB 935/SB 902 would require DHS to immediately reinstate the work requirement and employment and training program that have been waived during the pandemic, as well as immediately implement the FSET, or drug testing, requirement for eligibility in FoodShare. People are still getting sick with Covid. They are experiencing job losses or cuts or missed days due to Covid, or taking care of family members who are sick with Covid or quarantining due to exposures. This bill would make it harder for our clients who are barely hanging on by a thread to access benefits they need to be able to afford food and avoid going hungry. The goal of FoodShare Wisconsin is to help stop hunger and to improve nutrition and health by helping people in poverty get the food they need. By making it harder for people to receive Foodshare benefits, AB 935/SB 902 directly contradict the purpose of the program.

Not only would this bill be bad for people with low incomes, it would hurt the economy. When people go hungry, it makes it harder to be able to find and obtain work. In a study by Feeding America, 67% of people who were hungry had to choose between food and transportation, and 57% had to choose between food and housing. In Wisconsin, most people rely on their cars or buses to get to job interviews, but losing FoodShare benefits would mean not being able to afford bus fare or car payments for many low-income people. And housing instability can spiral someone deeper into poverty with an increasing need for reliance on public benefits. Requiring DHS to implement FSET immediately and reinstate the work requirement and employment and training program, people who need FoodShare to avoid hunger will find themselves kicked off of the program, despite their best efforts to comply. As a result, there will be a greater reliance on public benefits as individuals struggle with the impacts of hunger.

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¹ Feeding America, Compromises and Coping Strategies (2014), https://www.feedingamerica.org/hunger-in-america/impact-of-hunger.

LEGAL ACTION OF WISCONSIN

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AB 935/SB 902 is Legislative Overreach that Hinders DHS From Doing its Job Properly
This bill represents legislative overreach into an arena where the DHS is best suited. The
Department of Health Services is staffed by experts with deep experience in how to best
implement programs that serve Wisconsinites in need and promote the economy. The Secretarydesignee of DHS previously directed the Population Health Institute at the University of
Wisconsin School of Medicine and Public Health, the Deputy Secretary was previously regional
President of the North Region of Ascension Wisconsin, and the Assistant Deputy Secretary has
an expertise in policy advocacy and health care. The decision around implementation of
requirements impacting public benefits must be made carefully and deliberately, and would best
be left to DHS. When the legislature overreaches, Legal Action's clients are the ones who suffer.

While low-income people are still struggling with the economic impacts of the pandemic, AB 935/SB 902 would pull yet another rug out from under their feet.

Thank you for your consideration.