

A Move to Semi-Annual Reporting

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» ISSUE

An overly burdensome reporting system acts as a major barrier for households trying to access critical nutrition assistance through the California Food Stamp Program. The U.S. Department of Agriculture (USDA) estimates that 50% of eligible California households do not participate in the program, ranking California among the bottom performing states on measures of program participation. Increasing participation levels to near 100% of eligible households, as other states have done, could mean an additional \$3 billion in federal benefits for needy Californians. Moreover, increasing participation has the potential to benefit all Californians through more than \$6.5 billion in associated economic activity. In times like these, we simply cannot afford to turn away valuable federal benefits. Food insecurity continues to be a struggle faced by too many California families. We must work to implement strategies that reduce barriers to food stamp program enrollment, such as the implementation of a semi-annual reporting system.

» NEED

The federal government has long supported the use of semi-annual reporting as a way to reduce burdens on clients and workers, while simultaneously reducing state error rates. In September of 2009, USDA rejected the California Department of Social Services' (CDSS) request to extend the current modified quarterly reporting waiver and gave CDSS until February 15th, 2010 to develop a plan for converting to a semi-annual reporting system. CDSS has drafted a plan and set a proposed timeline for implementation. The plan includes the need for a statutory change which AB 1642 was designed to meet. Similarly, to the 48 states that no longer operate a quarterly reporting system, California should adopt semi-annual reporting in order to increase food stamp participation among eligible households.

» REQUEST

CFPA requests that the legislature require the state to move to a semi-annual reporting system for food stamps and CalWORKs, and adjust the IRT for CalWORKs recipients. In so doing the legislature would improve access to critical nutrition assistance and meet the recommended guidelines established by USDA in the September 2009 request. In addition, CFPA recommends that a portion of the \$30 million in 100% federal food stamp funding, recently allocated through the Department of Defense Appropriations Act of 2010, be used to manage the cost of reprogramming. These funds are intended to help relieve the growing strain on existing resources related to administering the program.

» HISTORY

California is one of only two states not using a simplified reporting system. In 2002, the federal government allowed states to implement semi-annual reporting, since then various attempts have been made to realize the change in California. In 2007, Governor Schwarzenegger proposed moving to simplified reporting, but a number of outstanding issues could not be resolved, including IRT adjustment and concerns with upfront costs. The most recent legislative attempt to include a change to semi-annual reporting, AB 1057, sought to address these concerns, but died in committee due to fiscal constraints, which can now be resolved with funds allocated through the recent Department of Defense Appropriations Act of 2010.

» OUTCOMES

Semi-annual reporting has been shown to decrease burdens and simplify rules for clients, reduce administrative workload, and decreases error rates. Combined with recent efforts to modernize the California Food Stamp Program, a change in the reporting system will help families stay on the program and increase participation.