



May 21, 2018

**RE: In Opposition to the House Resolution (H.R.) 2 - 2018 Farm Bill**

Dear Asset Builders,

On behalf of the California Asset Building Coalition (CABC), I am writing to express our opposition to the proposed 2018 Farm Bill. CABC represents a diverse, statewide group of practitioners, policy advocacy organization and grassroots organizations working to support low-income Californians achieve financial security and escape poverty. We firmly believe that the proposed cuts to the Supplemental Nutrition Assistance Program (SNAP) benefits in the 2018 Farm Bill by more than \$20 billion dollars over 10 years will be detrimental to the health and financial stability of low-income Californians.

In California, there are 4.2 million people who benefit from the Supplemental Nutrition Assistance Program (SNAP), known as CalFresh. Research has shown that CalFresh has worked to mitigate poverty in California. In 2015, 800,000 CalFresh beneficiaries were able to move out of poverty and the program lowered child poverty rate by 4 percent ([PPIC 2018](#)). CalFresh allows for families to put food on the table in times of financial hardship and in an economic downturn. Cutting benefits would mean low-income Californians who rely on CalFresh will struggle to make ends meet and will push families deeper into poverty.

Not only does the proposed cuts to SNAP will worsen the impacts of poverty on families in California, it will also negatively impact low-income families ability to save and build assets. These proposed changes include eliminating the State option that allows states to eliminate or adjust the asset test for applicants and recipients. These asset tests, also referred to as resource limits, are used to limit eligibility for safety-net programs. Asset test evaluations can include liquid assets, such as money in a savings account, and non-liquid assets, such as personal property and land.

Currently, in California, most CalFresh beneficiaries are exempt from a resource test to determine eligibility ([CDSS](#)). This means that families in California are able to receive benefits and continue to save the future. It also means that families, who have a sudden change in income, do not have to liquidate their savings in order to receive temporary food assistance while they recover from job loss, family illness, disaster or other unexpected economic crisis.

CABC understands that the ability to save and access to safety-net programs is essential to financial security and economic mobility for low-income families and so do the 36 states which

currently chose to utilize the flexibility in SNAP to bypass the asset test. Requiring States to impose a strict asset test or resource limit will force families to choose between keeping their savings for college or retirement and preventing hunger during hard times. We need to continue to encourage low-income families to save for the future and remove any barriers or disincentives that keep them from doing so. We firmly believe that safety net services and opportunities to save for the future should work in partnership to allow families to permanently exit poverty. For these reasons, CABC opposes HR 2, the House 2018 Farm Bill.

For a great summary of how removing asset tests help low-income Americans exit poverty permanently, see this whitepaper published by Prosperity Now:

[https://prosperitynow.org/files/PDFs/02-2014\\_policy\\_brief\\_asset\\_limits.pdf](https://prosperitynow.org/files/PDFs/02-2014_policy_brief_asset_limits.pdf)

Join the effort to make the Farm Bill more equitable, including by not allowing for cuts to SNAP, by signing this petition today: <https://2018farmbill.org/action/>

Sincerely,

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