

Southern Poverty Law Center 400 Washington Ave Montgomery, AL 36104 splcactionfund.org

July 28, 2023

Senate Committee on Agriculture, Nutrition, and Forestry 328A Russell Senate Building Washington, DC 20510

House Committee on Agriculture 1301 Longworth House Building Washington, DC 20510

Re: Farm Bill Priorities

Dear Chair Stabenow, Ranking Member Boozman, Chair Thompson, and Ranking Member Scott:

On behalf of the Southern Poverty Law Center (SPLC) Action Fund, we write to urge you to protect and expand civil rights and economic opportunities for all through the upcoming Farm Bill.

As a public interest advocacy organization working in the Deep South to eliminate the structural racism and inequalities that fuel the oppression of Black, indigenous, and other people of color, we understand the critical role federal legislation plays in addressing systemic issues that have had a generational impact on access to nutrition, economic advancement, and wealth generation. Federal funding allocated through the Farm Bill is critical to providing life-sustaining programming. Our focus states, Alabama, Mississippi, Louisiana, Georgia, and Florida have some of the highest poverty rates, highest hunger rates, lowest literacy rate, and worst health outcomes in the country.¹ This insight informs our recommendations for the next Farm Bill.

Repeal the SNAP Felony Ban

For nearly two decades, residents in Georgia with drug-related felony convictions were banned for life from receiving food stamps. Georgia has one of the largest populations under correctional control. There are approximately 10,400 people released from state custody each year in Georgia who have drug felony convictions.² Prior to lifting the ban, approximately 555 individuals were denied food stamps each month in Georgia due to a felony drug conviction.³ In Florida, a study

¹ FRIENDS COMMITTEE ON NATIONAL LEGISLATION, 10 Poorest States in the U.S. <u>https://www.fcnl.org/updates/2022-10/top-10-poorest-states-us</u>; INSTITUTE OF EDUCATION SCIENCES, Comparison Charts of State and County Estimates, <u>https://nces.ed.gov/surveys/piaac/skillsmap/src/PDF/STATE.pdf</u>.

² Teresa Wiltz, STATES EASE ACCESS TO WELFARE AND FOOD STAMPS FOR CONVICTED DRUG FELONS PBS (2016), <u>https://www.pbs.org/newshour/nation/states-ease-access-welfare-food-stamps-convicted-drug-felons</u> (last visited Mar 30, 2023)

³ *Id*.

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released in 2018 revealed that the state's ban on SNAP benefits for individuals convicted of drug related felonies led to increased recidivism for those individuals and their new offenses were primarily financially motivated.⁴ Georgia, Alabama, and Florida still retain a partial ban, which limits the lifetime ban to certain classes of drug felonies, imposes time-restricted bans, or requires enrollment in a drug education or treatment program. A repeal of the federal ban on SNAP benefits for felony drug convictions would allow thousands of residents across the Deep South access to critical nutritional support and make them eligible for employment, training, and related supportive services under the SNAP Employment & Training program.

Use Broad Income Eligibility Criteria and Increase Purchasing Options for SNAP Benefits

While we understand the necessity and importance of the debt ceiling negotiation, we were disappointed to see an expansion of "work requirements" in SNAP, as studies show that imposing these harsh time limits does not improve work outcomes or reduce poverty, or stop people from needing food, it would just force them to live without basic needs.⁵ And while the new exemptions for veterans, people experiencing homelessness, and former foster care youth are welcomed, historically, accessing exemptions creates administrative burdens on the most vulnerable populations and increases the likelihood that they will be deprived access to food benefits, erroneously. We urge legislators to strengthen and expand SNAP benefits provisions in the Farm Bill, especially considering the winding down of COVID-19 public health emergency benefits.

In our focus states, SNAP participation is higher than the nation, with Louisiana having the second highest rate with 19.5% of Louisianians participating in SNAP.⁶ Alabama, Mississippi, and Louisiana are among the five states with the highest child hunger rates, and Georgia and Florida are 9th and 11th, respectively.⁷ A plethora of evidence shows that SNAP reduces poverty and improves long-term health outcomes and economic security, especially for children.⁸

We support additional improvements to the SNAP program such as requiring states to use broad income eligibility criteria, encouraging alternative ways to submit applications, increasing the monthly allotment, and increasing purchasing options.

Under the current SNAP program, participants in the program can earn up to 200 percent of the federal poverty level and create a savings account without losing eligibility for assistance.

⁴ Zaid Jilani, Banning drug offenders from food stamps ended up backfiring, new study finds The Intercept (2018), <u>https://theintercept.com/2018/06/01/food-stamps-drug-conviction-snap-welfare/</u> (last visited Mar 31, 2023).

⁵ Ladonna Pavetti et al., "Expanding Work Requirements Would Make it Harder for People to Meet Basic Needs, CENTER ON BUDGET AND POLICY PRIORITIES, Mar. 15, 2023, <u>https://www.cbpp.org/research/poverty-and-inequality/expanding-work-requirements-would-make-it-harder-for-people-to-meet</u>

⁶ Chris Gilligan, "States with the Highest Rates of SNAP Recipients," U.S. NEWS, Mar. 16, 2023, <u>https://www.usnews.com/news/best-states/articles/food-stamp-benefits-by-state.</u>

⁷ CHILDREN'S DEFENSE FUND, The State of America's Children 2020, https://www.childrensdefense.org/policy/resources/soac-2020-child-hunger-tables/.

⁸ CENTER ON BUDGET AND POLICY PRIORITIES, "Chart Book: SNAP Helps Struggling Families Put Food on the Table," Nov. 7, 2019, <u>https://www.cbpp.org/research/food-assistance/snap-helps-struggling-families-put-food-on-the-table-0</u>

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However, Florida has proposed limiting eligibility criteria for the program. For example, if a participant or household's income or savings account exceeded 130 percent of the federal poverty level of \$2,250, they would become ineligible for SNAP benefits.

Under the current SNAP rules, individuals are not allowed to purchase hot food, food kits, food from online vendors, or restaurant meals. These restrictions were implemented without consideration of the lack of supermarkets and fresh food in rural areas and some urban neighborhoods. For individuals living in rural areas, individuals with disabilities, or individuals who lack transportation or live in an area without public transportation, access to prepared food in supermarket or hot meals through expanded SNAP purchase options could provide relief from a food desert or accessibility barrier.

Modernizing the Farm Credit Process and Providing Financial Assistance to Borrowers Who Have Faced Discrimination

Black farmers receive a disproportionally lower share of direct loans from the USDA. In 2022 the department granted direct loans to only 36% of farmers who identified as Black, however the agency approved loans for 72% of white farmers who applied for the program.⁹ 16% of Black farmers applications were rejected, only 4% of white farmers applications were rejected, and nearly 48% of Black farmers withdrew their applications.¹⁰ Black farmers often face barriers to accessing USDA financial assistance due to historic discrimination and underinvestment in disadvantaged farmers.

We request that the Farm Bill modernize the farm credit process and include many of President Biden's priorities including eliminating the cap on the number of times a borrower can receive loans, reducing the experience eligibility, increasing the microloan limit, removing the blood and marriage relation requirement for beginning farmer definition, and removing the emergency loan program requirements for written credit denials. These changes would foster longer term loans and fair credit to support new, diverse, small-scale farmers.

Furthermore, improved data collection would aid in understanding the distribution of funds and what measures are needed to rectify equity concerns. This data should include the following by race, gender and ethnicity by county and state:

- Loan Applications, Approvals and Denials
- Range and average of the date loans are funded
- Loans Accelerated Foreclosed
- Farmers operating under Powers of Attorney

⁹ Ximena Bustillo, In 2022, black farmers were persistently left behind from the USDA's loan system NPR (2023), <u>https://www.npr.org/2023/02/19/1156851675/in-2022-black-farmers-were-persistently-left-behind-from-the-usdas-loan-system</u> (last visited Mar 31, 2023).

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Additionally, increased outreach and providing technical assistance from the USDA is necessary to remedy these disparities in the loan program, especially to Black farmers regarding the debt relief funds under Section 22007 of the Inflation Reduction Act.

Ensuring the USDA Community Facilities Direct Loan and Grant Program Supports Rural Healthcare and Prohibits Expenditures on Rural Prison Construction

The USDA Community Facilities Direct Loan and Grant program was established in the 1970's to subsidize "essential community facilities" which were defined as a public improvement, operated as a nonprofit, needed for the development of a rural community with a population of 20,000 or less. Physical structures and services to residents or businesses are eligible for grants or low interest loans, whereas maintenance costs are not eligible for funding. The Program was meant to fund essential facilities including hospitals, mental health clinics, fire stations, community centers, and childcare centers. However, in 1996 the USDA used this funding stream to build a jail in Alabama. Between 2005 and 2019 more than 150 rural hospitals have closed nationwide¹¹, however the USDA spent more than \$365 million on jail and prison construction through the Community Facilities Direct Loan and Grant Program from 1972-2019.¹² Medical care and community service needs must be a priority, particularly given the ongoing healthcare challenges prevalent throughout the country as well as the persistent inflation which falls most heavily on the working poor.

The Farm Bill must give flexibility to the Secretary to provide guidance to prioritize projects that provide increased access to community-based health clinics, addiction treatment services, and telehealth services. Alternatively, we support legislative language in the Farm Bill or subsequent funding bills that conditions Federal funds to support projects that enrich the community. Such an amendment to the legislation would support the original legislative intent for these funds to prioritize projects that combat substance use disorders and support healthcare needs in rural America.

Thank you for your continued support for key programs and reforms in the Farm Bill. Please contact Theresa Lau, Senior Policy Counsel, Eradicating Poverty, at <u>Theresa.Lau@splcenter.org</u>, Nina Patel, Senior Policy Counsel, Decarceration and Criminal Legal System Reform, at <u>Nina.Patel@splcenter.org</u>, or LaShawn Warren, Chief Policy Officer, at <u>lashawn.warren@splcenter.org</u>, if you have any questions.

¹¹ Hundreds of hospitals could close across Rural America, <u>https://www.usnews.com/news/health-news/articles/2023-01-16/hundreds-of-hospitals-could-close-across-rural-america</u> (last visited Mar 31, 2023).

¹² U.S. Department of Agriculture Investments in local jails, <u>https://www.vera.org/downloads/publications/usda-fact-sheet.pdf</u> (last visited Apr 11, 2023).



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