

## **Food Research & Action Center's Review of President Trump's Proposed FY 2021 Budget**

On February 10, 2020, President Trump released his fiscal year (FY) 2021 budget proposal, which recycles many of the harmful proposals in the president's previous budgets. In it, he proposes huge cuts to overall U.S. Department of Agriculture (USDA) funding and devastating cuts to the Supplemental Nutrition Assistance Program (SNAP) and child nutrition programs. The proposed budget ignores recent congressional rejection of similar proposals and wholly disregards the critical role that the federal nutrition programs play in alleviating hunger and poverty in the U.S.

This analysis highlights areas of the budget that fund key anti-hunger and anti-poverty programs and how the proposed budget, if implemented, would harm the health and well-being of millions of people in our country. See [FRAC's statement](#) on the cuts.

### **Proposed Cuts to SNAP amount to \$181.9 billion over 10 years**

- A whopping **\$121.4 billion** would come from shifting a portion of most SNAP recipients' benefits from purchases through normal channels of commerce to delivery through USDA commodity foods (dubbed "America's Harvest Box"). The commodity box would be made up of government-purchased, non-perishable (shelf-stable) food items. This would undercut some key central SNAP strengths: SNAP uses regular channels of commerce (food retail outlets, farmers' markets, and electronic benefit transfer, or EBT, delivery systems) to deliver food efficiently to millions of households, giving SNAP customers opportunities to purchase foods in mainstream ways, and generates local economic activity. In contrast, since the Harvest Box was first proposed in 2018, the idea has been widely ridiculed and rejected. (Note: The amount of the spending reduction includes an offset for a \$2.5 billion increase in new administrative funding for states for this program.)
- Another **\$37.1 billion** would come from imposing arbitrary time limits to receive SNAP benefits on more under- and unemployed adults who cannot document sufficient weekly hours of work or qualifying activities, and raising the threshold age from 60 to 65 for being considered "elderly" for SNAP. Harmful changes include what's listed below.
  - Imposing shorter time limits to receive SNAP benefits on more under- and unemployed adults. SNAP already has harsh time limits — adults who are 18–49 and are unable to document sufficient hours of work can only receive SNAP for three months out of 36 months. The Trump administration [issued a final rule](#) that, if implemented, would impose time limits on more people living in areas with insufficient jobs. The president's proposed budget goes further, proposing to disqualify such people from SNAP **for 12 months** if they are unable to document sufficient work or work preparation activity hours **within one month**; moreover, the budget proposes **extending such time limits to older adults (50–65) and adults caring for a child age 6 or older** (\$36.6 billion cut).
  - Increasing the threshold age from 60 to 65 for being considered "elderly" for SNAP (\$534 million cut.)

- An additional **\$8.2 billion** in SNAP cuts would make it harder for people struggling to afford to “heat and eat,” by eliminating the state option of coordinating between SNAP and low-income home energy program payments.
- Another **\$8.9 billion** would come from capping the federal match of state SNAP administrative costs.
- About **\$4.9 billion** would come from eliminating SNAP Nutrition Education (SNAP-Ed),
- Approximately **\$2.8 billion** would come from eliminating the minimum monthly SNAP benefit (currently \$16), which would particularly exacerbate hunger among older adults.
- Another **\$1.3 billion** would come from capping the SNAP benefit, regardless of family size, at the maximum allotment for a six-person household.
- Finally, **\$44 million** would come from authorizing USDA to conduct SNAP data matches between recipients and store owners (\$39 million) and eliminating funding for EBT interoperability grants (\$5 million).

These harsh proposals for 10-year SNAP benefit cuts of more than \$180 billion come on top of the billions of dollars in 10-year SNAP benefit cuts that the administration is seeking via rule makings. Together, three proposed SNAP rule changes garnered more than 300,000 public comments in 2019, the vast majority in [opposition](#). The courts and Congress should stop the administration’s efforts to sidestep the legislative branch’s policies and decisions that are intended to protect the most vulnerable people from hunger and poverty through the federal nutrition programs.

### **Child Nutrition Programs**

The president’s budget proposes harmful legislative changes that would **cut Child Nutrition programs by \$1.7 billion over 10 years**:

- **\$1.2 billion** would come from reducing the number of schools eligible to implement the Community Eligibility Provision (CEP), a successful option that dramatically reduces the administrative work of operating the school nutrition programs for high-poverty schools and school districts and increases student participation in school breakfast and lunch; and
- **\$464 million** would come from making changes to the verification process for school meal applications, which would result in eligible students losing access to free and reduced-price school meals and create additional administrative work for school districts.

The budget proposes the following FY 2021 funding levels for the core child nutrition entitlement programs (over one year):

- \$13.5 billion for the National School Lunch Program (an increase of \$1 billion from FY 2020 enacted levels due to a projected increase in school lunches and snacks served in FY 2021);
- \$5 billion for the School Breakfast Program (an increase of \$207.7 million from FY 2020 enacted levels due to a projected increase in breakfasts served in FY 2021);
- \$4 billion for the Child and Adult Care Food Program, CACFP (an increase of \$179.4 million from FY 2020 enacted levels due to a projected increase in meals served in FY 2021); and
- \$551.9 million for the Summer Food Service Program (an increase of \$25.6 million from enacted FY 2020 levels due to changes in the reimbursement rates and increased participation).

For other child nutrition programs, the budget proposes the following FY 2021 funding levels (over one year):

- **\$5.5 billion** for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) to support the administration’s projection of a smaller caseload of 6.2 million women, infants, and children for FY 2021 (a decrease of \$549 million from FY 2020 enacted levels);
  - The proposal includes **\$60 million** for WIC Breastfeeding Peer Counseling (a decrease of \$30 million from FY 2020 enacted levels); **\$5 million** for WIC program evaluation and monitoring (consistent with FY 2020 enacted levels); and **\$14 million** for WIC infrastructure (consistent with FY 2020 enacted levels).
  - The budget also proposes a \$1.2 billion rescission to WIC.
  - As in the president’s FY 2019 and FY 2020 budgets, funding for the WIC Farmers Market Nutrition Program is eliminated (a decrease of \$18.5 million from enacted FY 2020 levels).
- **the elimination of funding for the Summer EBT Demonstration Projects**, an important program that the USDA budget explanatory notes acknowledge “to be a successful model in reducing very low food insecurity among children and improving children’s diets” and that can ensure that children in rural and underserved areas have access to nutrition during the summer (a decrease of \$35 million from FY 2020 enacted levels);
- **the elimination of funding** for school meal equipment grants, which were funded at \$30 million in FY 2020;
- **\$184 million** for the Fresh Fruit and Vegetable Program (a \$4.1 million increase from FY 2020 enacted levels);
- **\$9.1 million** for Farm to School initiatives, with \$5 million for grants (mandatory funding—note that this is a \$9 million decrease from FY 2020 enacted levels) and \$4.1 million for USDA’s Farm to School Team (an increase of \$80,000 from FY 2020 for USDA’s Farm to School Team). The budget also proposes to raise the Farm to School grant limit from \$100,000 to \$500,000; and
- **\$12.5 million** for Team Nutrition (a decrease of \$5.5 million from FY 2020 enacted levels) due to the sunset of the Healthier U.S. School Challenge and FNS’s exploration of a “streamlined approach” to Team Nutrition grant awards to states.

## Other Programs

### Older Adult Nutrition Programs (for FY 2021)

- **\$21 million** for the Senior Farmers’ Market Nutrition Program (consistent with FY 2020 enacted level)
- **\$937 million** for Nutrition Services under the Administration for Community Living (ACL), in line with FY 2020 enacted levels
  - ACL’s Congregate and Home-Delivered Nutrition Programs provide healthy meals and other related services to approximately 2.3 million older adults every year.

### Commodity Programs (for FY 2021)

- The **elimination** of the Commodity Supplemental Food Program (CSFP), which was funded at \$245 million in FY 2020, cutting support for hundreds of thousands of low-income older adults (The president’s FY 2019 and FY 2020 budgets also proposed to eliminate CSFP)

- Approximately **\$322.5 million** for The Emergency Food Assistance Program (TEFAP) commodities (an increase of \$5 million from enacted FY 2020 levels), and \$79.6 million for TEFAP Storage and Transportation Grants (consistent with FY 2020 enacted levels)

#### **USDA Economic Research Services (ERS) (for FY 2021)**

- **\$62 million** for ERS funding, a 30 percent cut from the \$84.7 million provided in FY 2020

As in President Trump's previous budgets, the president's FY 2021 budget eliminates funding for the **Congressional Hunger Center (CHC) Mickey Leland and Bill Emerson** Fellowship Program. The CHC fellowship program has historically been funded at \$2 million.

Outside of the domestic nutrition programs, the president's budget eliminates funding for the McGovern-Dole International Food for Education and Child Nutrition Program (a decrease of \$220 million from FY 2020 enacted levels). The program provides U.S. agricultural commodities and associated technical and financial assistance to carry out preschool and school nutrition programs in developing countries. The Food for Peace program (P.L.480) is also proposed to be eliminated (a \$1.7 billion decrease from FY 2020 enacted levels). The president's previous budget proposals also eliminated these programs.

The president's budget also includes **large cuts in other elements of the nation's safety net** — cuts that would increase hunger and poverty and would put the food security, economic security, health, learning, and productivity of low-income people in peril:

- hundreds of billions of dollars in cuts to **Medicaid** and **Medicare** and billions of dollars in cuts to **Social Security Disability Insurance (SSDI)** benefits over the next 10 years;
- \$20.8 billion in cuts over the next 10 years to **TANF** and its contingency funding;
- the **elimination of the Social Services Block Grant** (a \$16.5 billion cut over 10 years), which provides funding to states for childcare, day programs for older adults and persons with disabilities, services for individuals experiencing homelessness, and other services;
- cuts of billions of dollars from **low-income housing programs** through the Department of Housing and Urban Development (HUD);
- the **elimination of funding** (a \$1.25 billion cut from FY 2020) for the **21st Century Community Learning Centers**, which provides afterschool and summer learning programs to 1.7 million students across the U.S., supporting crucial access points to the Summer and Afterschool Nutrition programs;
- the **elimination of the Low-Income Home Energy Assistance Program (LIHEAP)**, which provides heating and cooling assistance for low-income households;
- \$72.8 billion reduction over 10 years to the **Earned Income Tax Credit, Child Tax Credit, and Credit for Other Dependents** by requiring taxpayers and all qualifying children or dependents have a Social Security Number that is valid for work in order to qualify for the tax credits; and
- the **elimination of the Community Development Block grant** (a \$3.4 billion cut over 10 years), which provides state and local agencies grants to support community and economic development activities.

FRAC will be working with national, state, and local groups concerned about U.S. hunger and poverty to urge Congress to reject these proposed cuts and instead to strengthen these key programs.

## Sources

- 2021 USDA Explanatory Notes – Food and Nutrition Service. U.S. Department of Agriculture Office of Budget and Program Analysis. Available at: <https://www.obpa.usda.gov/32fns2021notes.pdf>.
- United States Department of Agriculture FY 2021 Budget Summary. U.S. Department of Agriculture Office of Budget and Program Analysis. Available at: <https://www.obpa.usda.gov/budsum/fy2021budsum.pdf>.
- Office of Management and Budget: President's Budget. The White House. Available at: <https://www.whitehouse.gov/omb/budget/>.
- FY2021 Budget in Brief. U.S. Department of Health and Human Services. Available at: <https://www.hhs.gov/sites/default/files/fy-2021-budget-in-brief.pdf>