

Congress of the United States
Washington, DC 20515

December 2, 2010

The Honorable Jacob Lew
Director
The Office of Management and Budget
725 17th Street, Northwest
Washington, DC 20503

Dear Mr. Lew:

We are writing to express concern over how the upcoming expiration of the Standard Utility Allowance (SUA) waiver for the Supplemental Nutrition Assistance Program (SNAP) could reduce significantly the nutrition assistance benefits that many of our constituents rely on to feed their families during difficult economic times. We strongly urge you to prevent this situation from occurring by extending the SUA waiver indefinitely, or until another method can be developed to mitigate the substantial reduction in benefits. It is critical that The Office of Management and Budget (OMB) act immediately in order for states to act accordingly.

As you know, the SUA simplifies the administrative process in determining a family's benefit level under SNAP, and SUA values must be updated annually to address changes in utility costs. Therefore, any reduction in the SUA reduces nutrition assistance benefits for SNAP recipients.

When utility prices were abnormally high during the winter of 2008-2009, SUA values rose and there was a corresponding increase in SNAP benefits to reflect these higher energy costs. However, when the economic downturn caused a significant decline in global energy demand and utility prices decreased, over 8 million Americans lost their jobs and families struggled with many basic living expenses. As expected, the need for SNAP assistance increased dramatically, and the higher SUA values acted as an immediate relief for struggling families.

In 2009, the Food and Nutrition Service (FNS) at the U.S. Department of Agriculture (USDA) offered states a one-time blanket waiver of the requirement that the SUA be updated. Several states took advantage of the waiver, which allowed those states to use the previous year's SUA calculation, thereby preventing a decrease in a family's nutrition assistance benefits. Recognizing the continued demand and critical need for SNAP benefits, FNS offered a second waiver for 2010-2011. However, the states that accepted the original waiver are ineligible to participate again. As a result many low income families in numerous states will be especially hard hit and will experience a dramatic decline in their SNAP benefits.

FNS approved a three-month extension to the waiver for those states, and the other 10 not eligible for the second waiver, last October. However, for the states to comply with the new deadline of January 1, 2011, our states must implement system changes as early as December 10 to properly notify households of the decrease in SNAP benefits. This will translate into hundreds of thousands of Americans bracing for a reduction of as much as 25 percent of their monthly SNAP benefits at a time when they are struggling to feed their families. Unfortunately, most of these families will receive the notification during the holiday week, or just after the holiday.

For these reasons, we strongly urge you to prevent significant decreases in critical nutrition benefits for the families in our states by extending the SUA waiver indefinitely, or until another process can be determined to mitigate the substantial reduction in benefits. Given that states have such a short time to comply, it is critical that OMB act immediately.

Thank you very much for your attention to this issue and we look forward to your response.

Sincerely,



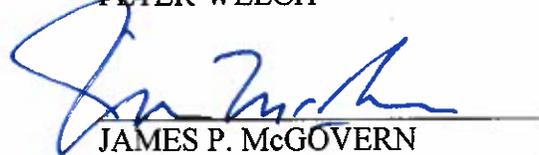
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MAURICE D. HINCHEY



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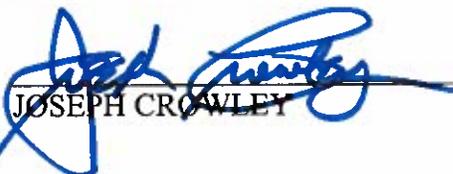
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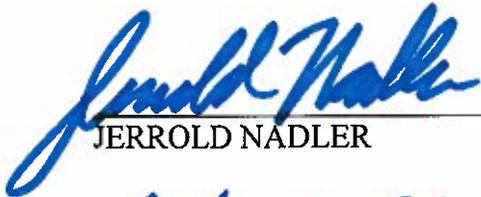
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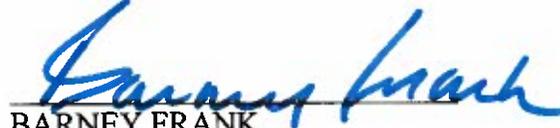

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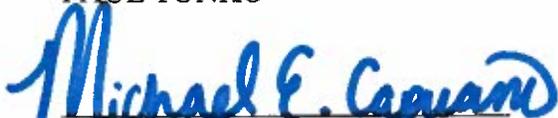

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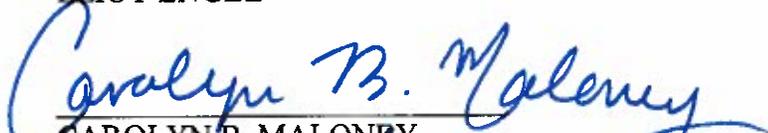

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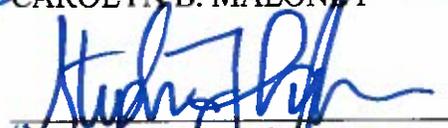

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ELIOT ENGEL


GARY LACKERMAN


CAROLYN B. MALONEY


STEVEN R. ROTHMAN


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