



INSTITUTO DEL
**DESARROLLO DE
LA JUVENTUD**
Por un Puerto Rico sin pobreza infantil



Leveraging the **NAP to SNAP** transition to promote the economic mobility of children and youth in Puerto Rico

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Summary

The IDJ (Instituto del Desarrollo de la Juventud) promotes public policies to reduce child poverty in Puerto Rico and set families with children on a path toward economic mobility. Food and nutrition insecurity plays a role in perpetuating conditions that lead to persistent impoverishment of families, as it affects children's academic achievement and emotional wellness. Appropriate investments in nutrition assistance boost well-being and position children and their families to better contribute to the economic future of Puerto Rico.

The Nutrition Assistance Program (NAP) block grant in Puerto Rico functions differently from the Supplemental Nutrition Assistance Program (SNAP) available in most United States jurisdictions. While NAP has helped put food on the table for hundreds of thousands of low-income households, discussions about the possible transition to SNAP have been on the rise in recent months due to a possible window for the federal government to consider mechanisms that equate the benefits provided in Puerto Rico with those available in the United States. In July 2022, the United States Department of Agriculture (USDA) published its feasibility study on implementing SNAP in Puerto Rico.¹ This study provides a ten-year timeline for the planning and implementation stages, taking the current technical and administrative infrastructure into consideration.

Arguments in favor of the transition to SNAP mention the terrible delays of the aid response in the wake of Hurricane Maria, the opportunity to achieve better food and nutrition security for the people of Puerto Rico, and equity in benefits among

all the states and territories of the United States. Although many participants, such as families with children, will receive more benefits with SNAP, specific populations may be negatively affected. SNAP also limits the Puerto Rican government's ability to design a program that fits its needs and policy priorities. Due to these concerns, it is necessary to analyze the potential transition and search for ways to mitigate any possible negative impacts.

When NAP and SNAP benefits are compared, a participant with zero net income receives more benefits under SNAP. However, since the rules of each program are different, a comparison of the maximum benefits is not the only factor to consider.

This document examines the main NAP and SNAP rules in order to generate an informed discussion about the implications of a change from NAP to SNAP and possible alternatives to ensure food and nutrition security, reduce disparities, and avoid lags during emergency periods.

One of these alternatives is to keep NAP but increase the benefit to a level that brings parity to Puerto Rico. For a more agile response to national emergencies, the program could follow the recommendations of the USDA Office of Inspector General (OIG). Increasing the NAP benefit level would preserve the local government's capacity to establish the parameters of the program. Alternatively, SNAP could be implemented with safeguards for the populations that may be adversely affected, as well as other adjustments that apply to the context of Puerto Rico.

¹ USDA Food and Nutrition Service. July 2022. Update to Feasibility Study on Implementing SNAP in Puerto Rico Final Report. <https://fns-prod.azureedge.us/sites/default/files/resource-files/PRSNAP-Feasibility-Report.pdf>

Background

The Nutrition Assistance Program (NAP) of Puerto Rico delivered monthly benefits to about 1.5 million people in 2021.² Changes to this program have far-reaching consequences for families and the economy.

In the last four years, there has been increased attention to the inclusion of Puerto Rico in the Supplemental Nutrition Assistance Program (SNAP), the most extensive federal nutrition program in place in the United States, Washington,

D.C., the U.S. Virgin Islands, and Guam. The movement to include Puerto Rico in SNAP has recently gained traction since the issue of equity for United States territories has become more salient in the public conversation. While bills providing for a transition from NAP to SNAP have been presented in Congress,³ their approach is varied. As Congress contemplates the 2023 Farm Bill, the implications of a transition become a necessary focus in order to advocate for language and alternatives that consider benefits gaps.

350,000

children received NAP benefits during FY 2020

22%

of total participants

Almost 350,000 children received NAP benefits during FY 2020, which represents 22% of the total participants (see source). Using data from 2018 obtained from ADSEF, the Center on Budget and Policy Priorities (CBPP) calculated that more than half of NAP participants were children, seniors, or disabled.

Source: PR NAP State Plan of Operations, FY 2021, p. 23. <https://www.fns.usda.gov/snap/nap-state-plan-operations-puerto-rico>

This study aims to present information that could inform and enhance this debate.

Below we compare NAP, the federally-funded block grant for nutrition assistance in Puerto Rico, to SNAP. The description of NAP is based on the applicable rules as of federal fiscal year (FFY) 2022. These rules are established in Program Regulation No. 8684 of December 28, 2015 of the Administration for the Socioeconomic Development of the Family (ADSEF, by its

Spanish acronym) of the Commonwealth of Puerto Rico. Operations of the program and any changes to program rules are submitted annually to the USDA Food and Nutrition Service (FNS) in the annual state plan of operations. The most recent state plan as of the writing of this document corresponds to FFY 2022. The rules of SNAP are obtained from various documents on the FNS-SNAP website and from government-issued reports related to SNAP budgets and rules.

² Commonwealth of Puerto Rico, Department of Family Affairs, Administration for the Socioeconomic Development of the Family (ADSEF). (FY 2022). PR NAP State Plan of Operations. <https://servicios.adsef.pr.gov/docs/pdf/NAP%20STATE%20PLAN%20FIRMADO.pdf>

³ See, e.g., S. 3934 — 116th Congress and H.R. 6846 — 116th Congress: Equitable Nutrition Assistance for the Territories Act of 2020; S. 2192 — 117th Congress: Closing the Meal Gap Act of 2021; H.R. 5220 — 117th Congress: Puerto Rico Nutrition Assistance Fairness Act of 2021.

What are NAP and SNAP?

The Nutrition Assistance Program (NAP) and the Supplemental Nutrition Assistance Program (SNAP) are federal assistance programs to supplement the food budget of disadvantaged families. All money allocated to families under both programs must be used to purchase food intended for home preparation and consumption.

NAP is the second largest program in Puerto Rico's social protection means-tested system with around 1.5 million participants in 2021.⁴ This federal program began in 1982 as a block grant. Before that, it was part of the federal Food Stamp Program and operated similarly to programs in the United States.⁵

SNAP operates in the United States, Washington, D.C., the U.S. Virgin Islands, and Guam and is the most extensive federal nutrition assistance program. SNAP is an entitlement program, which means it must have sufficient funds to serve all eligible individuals who apply. On the other hand, NAP is a block grant with a specified maximum, which means that NAP reduces or increases benefits based on a projection of the number of participants.

How are SNAP and NAP funds allocated?

The law that authorizes SNAP is the Food and Nutrition Act of 1968, as amended. Amendments to this law are generally made via the federal Farm Bill, which is passed every five years. The current Farm Bill expires in 2023. The Food and Nutrition Act establishes the parameters for the program, eligibility rules, benefits, quality controls, rules for participating retailers, and legal consequences for violations of the regulations. Congress allocates funds to SNAP every fiscal year based on projected participation.

SNAP allows states flexibility regarding some eligibility rules, such as maximum resources, exemptions for vehicles, employment requirement waivers, and gross income limits. These flexibilities are discussed later on.

The general rules governing the NAP block grant are established in the Food and Nutrition Act.⁶ Congress allocates these funds annually. This amount is allocated to SNAP funding. The law establishes the parameters for the allocation of the NAP grant. Additional funds have been allocated for specific uses, such as research or technology updates.

Thrifty Food Plan (TFP)

23%

**increment
in NAP received
in Puerto Rico**

\$463.8

**million in
additional
funding for its
block grant**

The USDA bases benefit calculations on the estimated cost of a healthy diet. Of the four different price points suggested by the administration, the thrifty food plan (TFP) is the lowest-cost model, and it represents “how much it costs to eat a healthy diet that aligns with food-group and subgroup and nutrient recommendations,” and it's the base for establishing the maximum SNAP benefit allotments. In October 2021, the base for the TFP—a model that had remained virtually the same since its inception in 1975 and was driven by cost-neutrality (meaning it was adjusted only to reflect inflation)—was recalculated for the first time in 45 years, adjusting it to be representative of families' current needs. As part of the 2021 increase, Puerto Rico received a 23% increment, or \$463.8 million, in funding for its block grant. Despite this increase, a TFP has not been calculated for Puerto Rico, making it difficult to assess the proper benefit allocations under its particular socioeconomic context. Calculating a TFP would be an appropriate step toward starting an evaluation of Puerto Rico's nutritional needs for a NAP transition.

Source: Wroblewska, K., Gleason, S., Breck, A., & Perez-Zetune, V. (2021). Measuring the Cost of a Thrifty Food Plan in Puerto Rico. U.S. Department of Agriculture, Food and Nutrition Service. <https://www.fns.usda.gov/cnpp/usda-food-plans-cost-food-reports>

4 The largest is Medicaid (Colgando de un Hilo. June 2021, Instituto del Desarrollo de la Juventud https://issuu.com/idj_pr/docs/informe_-_colgando_de_un_hilo). Commonwealth of Puerto Rico, Department of Family Affairs, Administration for the Socioeconomic Development of the Family (ADSEF). (FY 2022). PR NAP State Plan of Operations. <https://servicios.adsef.pr.gov/docs/pdf/NAP%20STATE%20PLAN%20FIRMADO.pdf>

5 For a detailed history of the program, see Trippe, C., Gaddes, R., Suchman, A., Place, K., Mabili, J., Tadler, C., DeAtley, T., & Estes, B. (2015). Examination of Cash Nutrition Assistance Program Benefits in Puerto Rico. Prepared by Insight Policy Research under Contract No. AG-3198-C-14-0006. Alexandria, VA: U.S. Department of Agriculture, Food and Nutrition Service, pp. 25-26. <https://insightpolicyresearch.com/wp-content/uploads/2016/06/Examination-of-Cash-Nutrition-Assistance-Program-Benefits-in-PuertoRico.pdf>

6 US Code §2028. As stated, the 2003 amount was set to \$1.4 billion and, subject to the availability of funds, is adjusted annually according to the percentage adjustment of the TFP.



What is the annual amount of funds?

The NAP grant amount between FFY 2016 and 2019 was about \$1.97 billion,⁷ which included additional funds to respond to national emergencies, such as Hurricanes Irma and Maria. Additional funding was also provided in 2020 and 2021 in response to the COVID-19 pandemic. In FFY 2022, the budget allocation was \$2.5 billion.⁸

From 2016 to 2019, the SNAP budget allocation for all participating jurisdictions was between \$70 billion and \$63

Recommendation:

Calculate a TFP for Puerto Rico guided by recommendations from the 2021 FNS report *Measuring the Cost of a Thrifty Food Plan in Puerto Rico*

billion.⁹ Also during that period, \$3 billion was allocated each fiscal year to contingency funds, which are used if the other funds have been exhausted.

⁷ Data in this section are from Aussenberg, Randy Alison and Billings, Kara Clifford. Congressional Research Service. May, 2019. USDA Domestic Food Assistance Programs: FY 2019 Appropriations, Table 1, page CRS4. <https://crsreports.congress.gov/product/pdf/R/R46488#:~:text=The%20enacted%20FY2020%20appropriation%20would,for%20most%20of%20the%20difference>.

⁸ Commonwealth of Puerto Rico, Department of Family Affairs, Administration for the Socioeconomic Development of the Family (ADSEF) (FY 2022). PR NAP State Plan of Operations. <https://servicios.adsef.pr.gov/docs/pdf/NAP%20STATE%20PLAN%20FIRMADO.pdf>

⁹ Ibid.

For both NAP and SNAP, the federal government pays 50% of the administrative expenses incurred by the jurisdictions for the operation of the programs, and the state or jurisdiction pays the remaining 50%.

What is the participation of low-income families in NAP and SNAP?

According to the most recent data from the *Puerto Rico Community Survey* (PRCS), NAP reached 74% of households with incomes at or below the poverty threshold in Puerto Rico in 2019. By comparison, SNAP reached 38% of similarly located households in the states, and in the three poorest states, it did not exceed 48%.¹⁰ The poverty threshold varies by the age of the head of household and the number of family members. For example, the poverty guidelines for a family of three in 2019 were \$21,330.¹¹

Recommendation:

While the participation of families at and under the poverty threshold is higher in NAP than in SNAP, a better understanding of factors that could be limiting the access of low-income families to NAP is key to ensuring all families living in poverty attain food and nutrition security. ADSEF should assess current outreach and identify new strategies to achieve this goal.

What happens if there is an emergency or disaster?

There are two types of responses to an emergency or disaster in a SNAP jurisdiction. One response is that the USDA issues directives to facilitate access to SNAP benefits, such as permitting prepared food purchases, disbursing benefits in advance, replacing benefits due to perished food, or extending the recertification period.

Another response is with the Disaster SNAP (D-SNAP) program. States prepare a D-SNAP plan and update

it annually. This program is activated when the state requests a disaster zone declaration, which is granted by the president, and the plan has also been approved by the FNS. D-SNAP enables all participants in the affected area to receive the maximum benefits. Those who were not participating at the time of the disaster but were nevertheless affected because they suffered the loss of home, business, belongings, employment, food, or health become eligible for the maximum benefit if they meet the income requirements. The applicant must reside in the disaster zone. D-SNAP benefits are available for up to two months, and the income limit is higher because deductions for losses are allowed.

As benefits and conditions for assistance are predetermined, the jurisdiction does not have to submit a plan for how benefits or eligibility requirements will be adjusted, nor must it specify the amount of funds or the period for using these funds since D-SNAP already establishes these parameters.

Households that can receive the maximum benefit with D-SNAP

172,000

households report wages from jobs

24%

of the total households under NAP

According to 2019 data from the Center on Budget and Policy Priorities (CBBP) report by Hector R. Cordero-Guzman (2021) regarding the characteristics of NAP beneficiaries, there are about 172,000 households that report wages from jobs, which represents 24% of the total households under NAP. Those households are not likely to qualify for the maximum benefits and can potentially benefit from D-SNAP, which enables all participants in the affected area to receive the maximum benefits.

Source: Cordero-Guzmán, H. R. (2021). Characteristics of Participants in Puerto Rico's Nutritional Assistance Program (PAN/NAP) and Their Connections to the Labor Market. Center on Budget and Policy Priorities. <https://www.cbpp.org/research/food-assistance/characteristics-of-participants-in-puerto-ricos-nutritional-assistance>

10 Calculations based on data from *Puerto Rico Community Survey 2019* and *United States Community Survey 2019* (Ruggles, S., Flood, S., Goeken, R., Grover, J., Meyer, J., Pacas, J., and Sobek, M. IPUMS USA: Version 10.0 [PRCS2005-2019]. Minneapolis, MN: IPUMS, 2020. <https://doi.org/10.18128/D010.V10.0>. These figures do not reflect the eligible population. According to the FNS, 84% of those eligible participate in SNAP. No comparable figure was found for Puerto Rico.

11 U.S. Department of Health and Human Services; Office of the Assistant Secretary for Planning and Evaluation. 2019 Poverty Guidelines. <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines/prior-hhs-poverty-guidelines-federal-register-references/2019-poverty-guidelines>

Laws adopted to address the COVID-19 pandemic allocated additional funds to SNAP in order to compensate for increased hardship and employment loss. Benefits were increased, the recertification period was extended, and employment requirements for able-bodied adults without dependents (ABAWD) were waived.¹² During the Great Recession, the American Recovery and Reinvestment Act (ARRA) of 2009 allocated funds to SNAP in order to address the increase in participants and provide more benefits.¹³ D-SNAP was activated for various disaster events, such as the wildfires in California and Hurricanes Irma and Maria, in several states and the U.S. Virgin Islands.

In contrast, NAP requires the allocation of funds by Congress after the request for a disaster declaration and presidential approval to receive the funds. In addition, Puerto Rico must submit a plan that shows how the funds will be used during the stipulated period. The plan must include the use of all funds and detail how benefits or income limits will be adjusted. The plan must be approved by the FNS. After approval, a collaborative agreement must be filed to transfer funds.

This process takes time and can result in extended food and nutrition insecurity for participants. Disaster funds must also operate under the same regulations as the regular NAP grant. For example, no deductions from income are permitted for material loss due to disasters. Since there is no separate disaster fund, any change in eligibility requirements must be approved by the FNS, which takes even more time.

According to the existing plan to use disaster funds for Hurricanes Irma and Maria, income and resource limits were increased in Puerto Rico in March 2018. A 2020 report from the USDA Office of Inspector General (OIG) observed six instances of document exchanges between the FNS and ADSEF between October 26, 2017, when the additional NAP benefits were approved, and March 19, 2018, when the distribution of benefits finally began.¹⁴ The Inspector General of the USDA recommended that the corresponding laws be amended, enabling Puerto Rico to operate a permanent disaster nutritional assistance fund under NAP. No action has yet been taken.

The 2022 NAP state plan stipulates that in the case of a disaster, benefits must be issued no later than five days from the date of the application and that the benefit percentage shall be prorated according to the date of application. During the first fifteen days, a household shall

receive up to 100% of the benefits, and in the following fifteen days, the household shall be entitled to receive up to 50%. Households in need of immediate food, even if they were already participating and receiving regular benefits at the time of the disaster, were entitled to receive an additional 50% of the regular benefit amount. These benefits are effective the month following the eligibility determination. It is important to note that ADSEF must request FNS budget approval before any NAP disaster benefits are issued and that this approval can only happen once a presidential disaster declaration has been signed.

Disaster Funding

In October 2019, the USDA Office of Inspector General (OIG) issued a report reviewing the FNS's NAP disaster funding to Puerto Rico following the devastating consequences of Hurricanes Irma and Maria. Its conclusion was that funding following the events was not speedily or efficiently disbursed, allowing a gap of almost six months to pass between funding approval and actual distribution.

The OIG recommended establishing a permanent disaster NAP. It specifically suggested ADSEF should operate a permanent disaster assistance program and "receive FNS approval for a comprehensive disaster nutrition assistance plan that determines varying funding levels and timelines" while approval for a permanent fund is underway.

Recommendation:

In Puerto Rico, new structures that facilitate the disbursement of funds during periods of crisis must be evaluated. The FNS must push Congress to adopt the recommendations for a permanent disaster fund for Puerto Rico according to the recommendations of the OIG. This fund must provide for replacement benefits for food lost due to a disaster and for the increased demand and need for food assistance.

12 Rosenbaum, D., Bolen, E., Neuberger, Z. and Dean, S. (April 2020). USDA, States Must Act Swiftly to Deliver Food Assistance Allowed by Families First Act. Center on Budget and Policy Priorities. <https://www.cbpp.org/research/food-assistance/usda-states-must-act-swiftly-to-deliver-food-assistance-allowed-by>; U.S. Department of Agriculture, Food and Nutrition Service. SNAP COVID-19 waivers. <https://www.fns.usda.gov/programs/fns-disaster-assistance/fns-responds-covid-19/snap-covid-19-waivers>

13 Nord, M. and Prell, M. (April 2011). Food Security Improved Following the 2009 ARRA Increase in SNAP Benefits. ERR-116, U.S. Department of Agriculture, Economic Research Service. https://www.ers.usda.gov/webdocs/publications/44837/7469_err116.pdf?v=1002

14 USDA Food and Nutrition Service (2020). Timeliness of the Disbursement of the \$600 Million Disaster Nutrition Assistance Grant to Puerto Rico. <https://www.usda.gov/sites/default/files/audit-reports/27801-0002-22.pdf>

How is the service unit defined under SNAP and NAP?

SNAP and NAP have quite different definitions of the service unit or core. SNAP requires that the people in the unit live together and buy and prepare food together. People who live together and buy and prepare food together must apply for SNAP as a single unit. Groups of couples and mothers or fathers with children up to age 21 make up a service unit.¹⁵

NAP does not impose food purchase and preparation requirements. Its service unit refers to “a person or group of people within the family composition who request or receive benefits either together or separately.” Family composition refers to “people living under the same roof, whether or not they have blood ties.”¹⁶ According to this definition, a person within a family unit, such as a college student, an unemployed adult, a person with disabilities, or a senior, can apply separately.

Who determines the rules of the program?

SNAP rules are congressionally mandated and enforced by the FNS, apply equally to all participating jurisdictions, and are posted on the FNS portal. SNAP allows states some flexibility regarding income and jurisdiction resource limits through what is known as broad-based categorical eligibility (BBCE). Under BBCE, the jurisdiction may apply automatic eligibility to individuals who receive or have been determined eligible for any benefit from Temporary Assistance for Needy Families (TANF).¹⁷ Although many states participate in BBCE, in 2014, it was estimated that only 3.4% of SNAP participants would lose their benefits if eligibility were based on TANF services (excluding cash services), representing 1% of all program benefits.¹⁸ States can request exemptions from employment requirements if the area’s unemployment rate is higher than 10% or if the area has limited jobs.¹⁹

ADSEF determines NAP rules. In general, the program’s

rules are stipulated in ADSEF Program Regulation No. 8684 of December 28, 2015. The state operations plan filed annually with the FNS establishes any changes that are contemplated in the program. Puerto Rico determines the program’s parameters, such as benefit levels, caps for income and resources, income deductions, treatment of populations of interest, and the percentage of family income allocated to food. Puerto Rico setting the NAP program rules has enabled ADSEF to adapt the program to the local social, cultural, and economic context. Examples of this are the definition of the service unit; the treatment of students, individuals with disabilities, and seniors; how income from agricultural employment is accounted for; and transitioning to work.

What are the resource limits for NAP and SNAP?

The resources considered for eligibility for SNAP or NAP include the value of real estate, one-time payments, retirement accounts, cars, boats, savings accounts, cash, financial bonds, and certificates of deposit.

SNAP participants can have up to \$2,500 in resources, and individuals age 60 and over can have up to \$3,750.²⁰ These limits can be higher if the state takes advantage of BBCE, as most states do.²¹ Resources from TANF and supplemental security income (SSI) are not counted. The value of the home is also not considered a resource. The value of some vehicles may be considered a resource, but state flexibilities are permitted, and most states discount at least one vehicle.

ADSEF’s state plan for FFY 2022 sets the asset limit at \$5,000 in general and at \$15,000 if there is a person age 60 and over that belongs to the unit.²² The home is not considered a resource, nor are the resources of individuals with disabilities certified by a state or federal agency. This exclusion is broader than SNAP because it applies to the resources of people who receive Social Security Disability Insurance (SSDI). The value of some vehicles may be counted as resources.

15 SNAP Eligibility – Who Is in a SNAP Household? Food and Nutrition Service, U.S. Department of Agriculture. <https://www.fns.usda.gov/snap/recipient/eligibility>. If a person age 60 and over lives with other persons and cannot buy and prepare food separately, they and their spouse must file as a separate household and will qualify if the overall household has income less than or equal to 165% of the poverty threshold.

16 Commonwealth of Puerto Rico, ADSEF. (December, 2015). *Reglamento para establecer las normas de elegibilidad del Programa de Asistencia Nutricional* [Regulations to establish the eligibility rules of the Nutritional Assistance Program], Program Regulation No. 8684 of December 28, 2015.

17 Congressional Research Service. (October 2019). The Supplemental Nutrition Assistance Program (SNAP): Categorical Eligibility R42054. <https://crsreports.congress.gov>; U.S. Department of Agriculture, Food and Nutrition Service. Broad-based categorical eligibility (BBCE)

18 Laird, E. and Trippe, C. (February 2014). Programs Conferring Categorical Eligibility for SNAP: State Policies and the Number and Characteristics of Households Affected. <https://www.mathematica.org/publications/programs-conferring-categorical-eligibility-for-snap-state-policies-and-the-number-and-characteristics-of-households-affected>

19 State options are detailed in U.S. Department of Agriculture, Food and Nutrition Service. (May 2018). State Options Report. <https://fns-prod.azureedge.net/sites/default/files/snap/14-State-Options.pdf>

20 These are the resource limits for FY 2022. U.S. Department of Agriculture, Food and Nutrition Service. SNAP – FY 2022 Cost of Living Adjustments. August 9, 2021. <https://www.fns.usda.gov/snap/fy-2022-cost-living-adjustments-without-maximum-allotments#:~:text=The%20resource%20limit%20for%20households,increase%20by%20%24250%20to%20%243%2C750>.

21 As of January 2022, forty-four states/jurisdictions were under BBCE. USDA Food and Nutrition Service. January 19, 2022. Broad-based categorical eligibility. [https://www.fns.usda.gov/snap/broad-based-categorical-eligibility#:~:text=Broad%2Dbased%20categorical%20eligibility%20\(BBCE\)%20is%20a%20policy%20in,effort%20\(MOE\)%20funded%20benefit](https://www.fns.usda.gov/snap/broad-based-categorical-eligibility#:~:text=Broad%2Dbased%20categorical%20eligibility%20(BBCE)%20is%20a%20policy%20in,effort%20(MOE)%20funded%20benefit).

22 Commonwealth of Puerto Rico, Department of Family Affairs, Administration for the Socioeconomic Development of the Family (ADSEF). (FY 2022). PR NAP State Plan of Operations. <https://servicios.adsef.pr.gov/docs/pdf/NAP%20STATE%20PLAN%20FIRMADO.pdf>

Vehicles

SNAP’s vehicle provisions are more restrictive than NAP’s, but there is state flexibility. In both programs, vehicles used for production, business, or dwelling, as well as those used to transport a person with disabilities, are not considered a resource.

SNAP considers the value of each vehicle above the fair market price of \$4,650 to be a resource but gives the states discretion to exclude the value of the vehicles in the calculation of resources. Vehicles are also subject to an equity test, which is the fair market value less any amount owed on the vehicle. The difference is the equity of the vehicle. The excess of the fair price and equity are compared, and the higher is counted as a resource. For the equity test, one vehicle is excluded for each adult in the household, as well as one vehicle that is used by a person under age 18 to go to school, work, or training. All states exclude at least one vehicle from the equity test.²³

Under NAP, one vehicle is excluded. For additional vehicles, the total vehicle value above \$6,000 is counted as a resource. Vehicles used by students to get to their place of study are excluded.

What is the maximum income allowed for a family to receive SNAP or NAP?

Income refers to recurring cash inflows such as wages, income from owning a business or self-employment, social security, supplemental security income, pensions, alimony, and child support.

SNAP and NAP both calculate gross and net income. Gross income refers to all sources of income accounted for in the program, while net income reflects gross income after

Table 1 Monthly Net Income to Receive Benefits Per Family Size (FFY 2022)

Size of Family Unit	NAP	SNAP
1	\$619	\$1,074
2	\$1,179	\$1,452
3	\$1,706	\$1,830
4	\$2,206	\$2,209
5	\$2,666	\$2,587
6	\$3,199	\$2,965

Note: Net income under SNAP refers to the poverty thresholds established by the guidelines of the federal Department of Health and Human Services (DHHS). Those of the forty-eight contiguous states are used. Those of Alaska, Hawaii, the U.S. Virgin Islands, and Guam are higher. NAP’s net income limits are reported in the state plan for FFY 2022 and have been in effect since March 2018.

23 Gehr, Jessica. (2018). Eliminating Asset Limits: Creating Savings for Families and State Governments. CLASP. https://www.clasp.org/sites/default/files/publications/2018/04/2018_eliminatingassetlimits.pdf

allowable deductions.

To receive SNAP, the family must have a gross income of up to 130% of the poverty threshold and a net income of no more than 100% of that level. With BBCE, some states have increased the gross income limits, but net income remains at or under the poverty threshold for eligibility.

Deductions are different for SNAP and NAP. Net income limits are shown in **Table 1**. For SNAP, the net income refers to the poverty guidelines issued by the federal Department of Health and Human Services (DHHS). NAP uses another set of rules driven by the deductions applied in the program, which are discussed in the following sections.

Due to the difference between SNAP and NAP deductions, net income eligibility is not comparable between programs. For example, NAP reduces income from pensions and social security by 50%, but SNAP does not make such

deductions. NAP deducts 50% of the earned income up to a maximum of \$700, and SNAP deducts 20%. On the other hand, NAP allows childcare deductions between \$200 and \$225 per child, and SNAP allows the entire amount of expenses to be deducted.

What are the automatic deductions to income under SNAP and NAP?

SNAP deducts 20% of the earned gross income. A deduction between \$177 and \$184 is also applied.²⁴ NAP deducts 50% of the gross income up to a maximum of \$700 and applies a standard deduction of \$100 to each service unit. Under NAP, if the unit contains a person age 60 and over, there is no cap to the 50% income deduction.²⁵



Maximum Monthly SNAP and NAP Benefits Per Family Size (FFY 2022)

Size of Family Unit	SNAP	NAP
1	\$250	\$140
2	\$459	\$257
3	\$658	\$368
4	\$835	\$468
5	\$992	\$556
6	\$1,190	\$666
7	\$1,316	\$737

Note: Center on Budget and Policy Priorities. (September 2021). A Quick Guide to SNAP Eligibility and Benefits, Updated January 6, 2022. <https://www.cbpp.org/research/food-assistance/a-quick-guide-to-snap-eligibility-and-benefits>; Commonwealth of Puerto Rico, Department of Family Affairs, Administration for the Socioeconomic Development of the Family (ADSEF). PR NAP State Plan of Operations FY 2022. For an additional person, add \$188 under SNAP and \$105 under NAP. SNAP benefits refer to those available in the forty-eight contiguous states. Alaska, Hawaii, Guam, and the U.S. Virgin Islands receive higher benefits. These amounts do not include the higher benefits from COVID-19 laws.

24 USDA Food and Nutrition Service. (2021). SNAP – Fiscal Year 2022 Cost-of-Living Adjustments. <https://www.fns.usda.gov/snap/fy-2022-cost-living-adjustments-without-maximum-allotments>

How do SNAP and NAP benefits compare?

The benefits a unit can receive depend on their net income and family size. The maximum benefit refers to the most a participant can receive and generally applies when income is zero or close to zero after deductions. SNAP benefits are higher than NAP benefits for all family sizes. **Table 2** shows the maximum benefit per family for the 48 states, Alaska, Hawaii, Guam, and the U.S. Virgin Islands receive higher benefits.

What is the expected family contribution to their food expenses?

SNAP assumes that the family must contribute 30% of their net income to food expenses. NAP assumes 15%. Benefits are calculated after factoring in the family contribution.

Does everyone win with SNAP?

It is challenging to determine in advance how much more Puerto Rico would receive in benefits if SNAP is adopted because it is unknown how many people would receive benefits, the amount of benefits, and what flexibilities Puerto Rico would claim. To assess how much additional funding would be available with SNAP, the average benefits of Puerto Rico are compared with those of the United States total and with those of the high-benefit jurisdiction of the U.S. Virgin Islands (**Tables 3 and 4**). Based on the benefits before Hurricane Maria —because various temporary funds have since been added to the grant— and if the average benefits received per person under SNAP in all jurisdictions are considered, the NAP grant would have been 3% greater in FFY 2016. The average benefit per person for the United States was \$125, and the average for Puerto Rico was \$121 (**Table 3**). If U.S. Virgin Islands’ benefits per person were applied to Puerto Rico, the block grant would have been 41% higher (**Table 4**). The average benefit per person in the U.S. Virgin Islands in FFY 2016 was \$170 (**Table 4**).

For the first eight months of FFY 2022, the gains would have been higher. To achieve benefits parity with the United States, Puerto Rico’s grant would have to be 57% greater, and to achieve parity with the U.S. Virgin Islands, it would have to be 131% greater.²⁶

Table
3

NAP Block Grant Amounts if Puerto Rico’s Benefits per Person Were Similar to U.S. Benefits

Federal Fiscal Year	Average monthly benefit per person Puerto Rico (\$)	Average monthly benefit per person U.S. (\$)	NAP participants monthly average Puerto Rico	Total benefits Puerto Rico (\$)	Difference between Puerto Rico and the U.S.** (\$)	Grant amount if Puerto Rico’s benefits equaled U.S. benefits (\$)	Percent increase in grant to achieve parity (%)
2016	121	125	1,288,387	1,863,242,910	61,842,576	1,925,085,486	3
2020	156	155	1,432,452	2,677,471,513	-17,189,424	2,660,282,089	-1
2021	163	218	1,534,701	3,008,311,287	1,012,902,660	4,021,213,947	34
2022*	171	236	1,501,341	2,049,036,745	1,171,045,980	3,220,082,725	57

Note: FNS-USDA. SNAP Data Tables. <https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap>. Calculations by the authors.
*First 8 months.

**Difference in benefits multiplied by the number of participants times 12 to get annual amount.

25 Ibid.
26 The FNS Feasibility Study. USDA Food and Nutrition Service. July 2022. Update to Feasibility Study on Implementing SNAP in Puerto Rico Final Report. <https://fns-prod.azureedge.us/sites/default/files/resource-files/PRSNAP-Feasibility-Report.pdf>. This study estimates an annual grant of \$4.5 billion with SNAP. This amount is according to 2031 prices and assumes the benefits cover 100% of the Thrifty Food Plan.



Table

4

NAP Block Grant Amounts if Puerto Rico's Benefits per Person Were Similar to USVI Benefits

Federal Fiscal Year (FFY)	Average monthly benefit per person Puerto Rico (\$)	Average monthly benefit per person USVI (\$)	NAP participants monthly average Puerto Rico	Total benefits Puerto Rico (\$)	Difference between Puerto Rico and the USVI** (\$)	Grant amount if Puerto Rico's benefits equaled USVI benefits (\$)	Percent increase in grant to achieve parity (%)
2016	121	170	1,288,387	1,863,242,910	757,571,556	2,620,814,466	41
2020	156	198	1,432,452	2,677,471,513	721,955,808	3,399,427,321	27
2021	163	277	1,534,701	3,008,311,287	2,099,470,968	5,107,782,255	70
2022*	171	320	1,501,341	2,049,036,745	2,684,397,708	4,733,434,453	131

Note: FNS-USDA. SNAP Data Tables. <https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap>; Calculations by the authors.

*First 8 months.

**Difference in benefits multiplied by the number of participants times 12 to get annual amount.

Considering FY 2022 up to May 2022, Puerto Rico's NAP block grant would need to be **57%** greater to equate with benefits per person in the USA. For Puerto Rico's benefits to equate with those in the U.S. Virgin Islands, a **131%** increase is needed.

How do SNAP and NAP treat college students?

SNAP has strict requirements for college students and generally excludes them. A full-time college student can receive benefits if they meet any of the following requirements:

- 1) are age 17 and under or age 50 and over;
- 2) have a physical or mental disability;
- 3) participate in TANF;
- 4) work at least twenty hours a week in paid employment;
- 5) participate in a federally funded work-study program;
- 6) are placed by a government agency in a job training program;
- 7) care for a child under six years old;
- 8) care for a child six to eleven years old and do not have adequate childcare to enable them to attend school and work twenty hours a week or participate in work-study;
- 9) are a single parent enrolled full time in college (post-secondary studies) and care for a child under twelve; or
- 10) are enrolled in college through certain programs

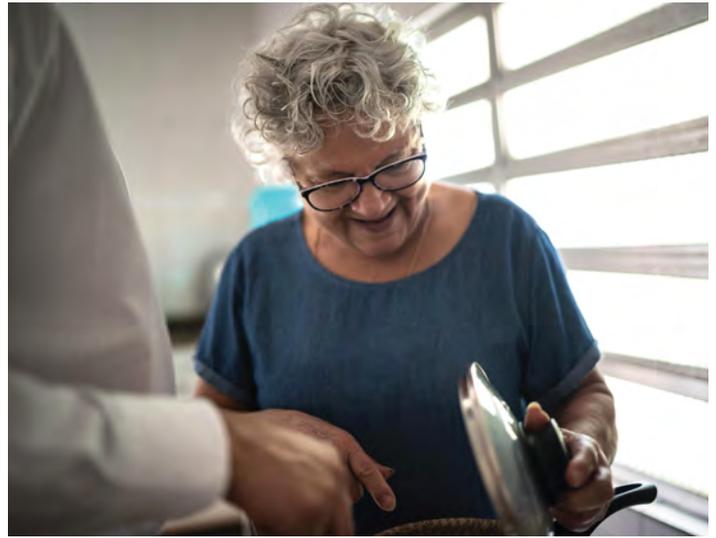
It is important to note that these restrictions apply even if the student is financially dependent on their parents and these parents are eligible for SNAP. In other words, under SNAP, low-income post-secondary students who are financially dependent on their parents are not eligible to receive benefits even though their family may be eligible, unless they meet one of the requirements. Many financially independent low-income students are not eligible either, unless they meet one of the requirements.

Given the disparity in average benefit levels, NAP beneficiaries who still qualify under SNAP would see a significant increase in their monthly benefit. However, there are populations now receiving NAP that could lose benefits with SNAP, depending on their particular circumstances and how Puerto Rico uses the flexibilities allowed within the program. Although it is impossible to know with certainty the number of people who would be negatively affected, some populations whose benefits may be reduced are (1) college students, (2) some people with disabilities, (3) older adults, and (4) ABAWDs.

Which populations have special considerations under SNAP and NAP?

Under SNAP, people with disabilities and people age 60 and over are granted some special considerations. Under NAP, people with disabilities, people age 60 and over, students, farmworkers, bona fide farmers (owners of farms), and people with terminal illness are granted special considerations.

Under NAP, college students may receive benefits if they meet the income eligibility. Under NAP, need is demonstrated by their application for the Free Application for Federal Student Aid (FAFSA). A college student who is dependent on their parents is considered part of the NAP service unit. Their eligibility is tied to the eligibility of the family unit they belong to. That is, college students living in low-income households are generally eligible if their household is eligible. If the student is independent, then he or she could qualify according to his or her resources and income. Student couples who live with their parents or guardians and depend on them can apply as part of their guardian's unit. College students living with a guardian age 60 and over can apply as a separate unit. NAP regulations define a college student as any person enrolled or accepted as a regular student in an approved program that leads to obtaining a degree or certificate at an institution that participates in the federal student aid programs. The student must reside in Puerto Rico and be enrolled full time. There is also a \$100 family income deduction for each college student.



How do SNAP and NAP treat seniors?

According to *Puerto Rico Community Survey 2019*, there were 260,000 university students in Puerto Rico. Among these, 97,000 (37%) lived in households that received NAP, and 67,000 (26%) in households with income at or below the poverty threshold that also received NAP.²⁷ Many students could be at risk of losing benefits under SNAP according to these data, but the actual figure cannot be calculated without administrative data.

Recommendation: Promote inclusion of low-income college students

With the upcoming 2023 Farm Bill discussions already underway, it is important that legislators and advocates push for language that promotes wider inclusivity of vulnerable populations, such as low-income college students. For example, the College Student Hunger Act of 2021 is a bill that proposes that SNAP eligibility be expanded to low-income college students who (1) are employed a minimum of ten hours per week (currently twenty hours) during the regular school year, (2) are eligible for a federal Pell Grant, (3) have an expected family contribution equal to zero, or (4) are independent (H.R.5595 - College Student Hunger Act of 2021, 117th Congress [introduced October 15, 2021]). The application of such provisions would be an important point to consider in the transition from NAP to SNAP in Puerto Rico.

SNAP allows people age 60 and over to have up to \$3,750 in resources, while people under sixty are allowed up to \$2,500 (FY 2022), unless the state applies the BBCE. There is no gross income cap for seniors, although the maximum net income applies. If a person is age 60 and over and unable to purchase and prepare meals separately because of a permanent disability, the person and their spouse may be considered a separate SNAP household if the others they live with have income at or below 165% of the poverty threshold rather than 130%.²⁸

Deductions are allowed for medical expenses over \$35 that are not covered by health insurance, and there is no maximum limit to this deduction. Income from pensions or social security does not receive the 20% deduction conferred to earned income. Shelter cost deductions are allowed when they are more than 50% of the net income, and there is no cap.

People age 60 and over receive extensive special considerations under NAP. In contrast with SNAP, the social security or pension income of a person age 60 and over can be deducted by 50% when considering their benefits, and there is no maximum deduction. College children of people age 60 and over can apply as a separate unit, regardless of the parent's income. There is a \$100 deduction for each person age 60 and over and another \$100 deduction for their medical expenses. If a service unit includes a senior, they receive an additional 20% in benefits. People age 60 and over who live with children and relatives may apply as a separate unit, and therefore, the income of the other members of the household is not considered.

²⁷ Government of Puerto Rico, Department of Family Affairs, Administration for the Socioeconomic Development of the Family (ADSEF). Statistics by county. July, 2022.

²⁸ U.S. Department of Agriculture, Food and Nutrition Service. SNAP Special Rules for the Elderly or Disabled. (Last updated October 2021). [SNAP Special Rules for the Elderly or Disabled | Food and Nutrition Service \(usda.gov\)](#)

Puerto Rico Law No. 121-2019, which includes a bill of rights for seniors, creates a legal basis for access to food benefits and services for seniors in Puerto Rico. Although Puerto Rico Law No. 168-2000 establishes a mechanism to ensure relatives of seniors provide food and sustenance support, the local government must be ready to assume the costs of ensuring food and nutrition support for senior NAP beneficiaries who could be left out under SNAP's stricter guidelines for eligibility and income parameters.

Local parity can aid in the discrepancy between more flexible NAP criteria and more stringent SNAP regulations. With SNAP's BBCE, states have had significant discretion in terms of how they relax certain income and asset guidelines, but net income limits under poverty remain. Puerto Rico could adopt these criteria in the way it deems most appropriate so as to include the group of current NAP participants that could be left out if SNAP were implemented.

According to ADSEF data from February 2022 to March 2022, the average number of people age 60 and over was 395,659.²⁹

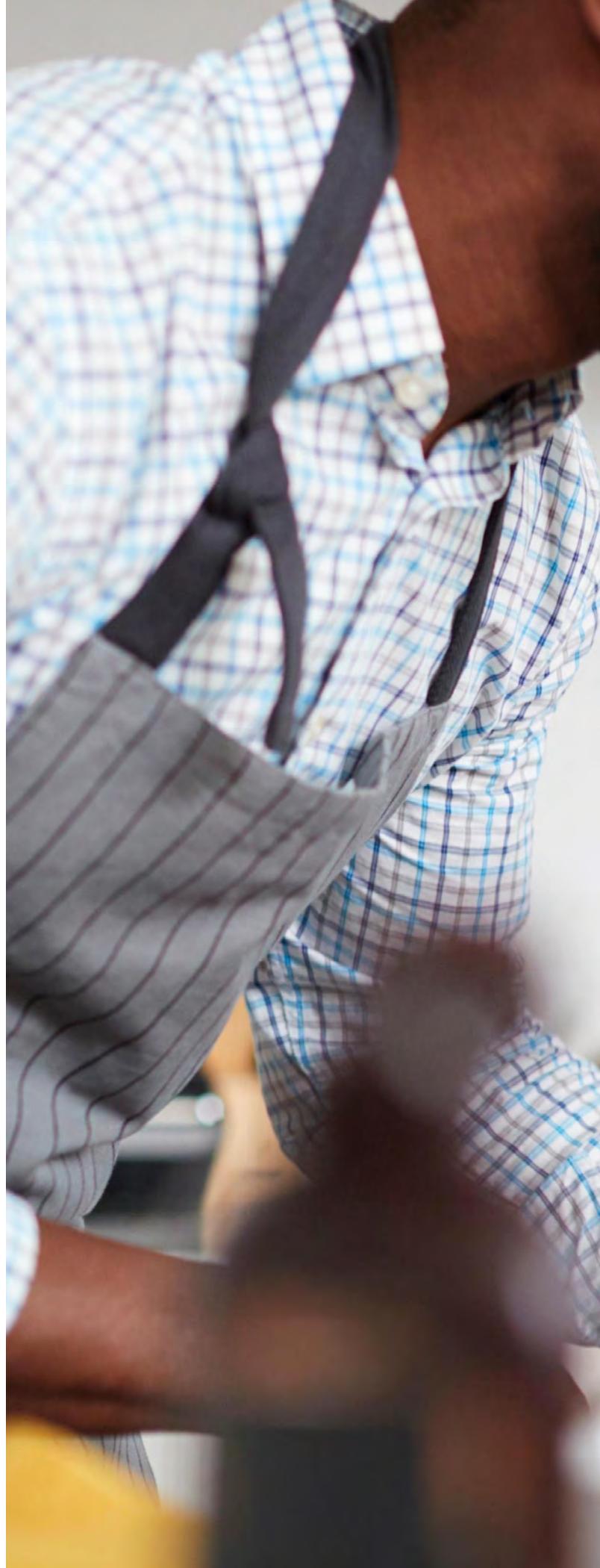
Recommendation:

If SNAP is to be considered a viable option in Puerto Rico, BBCE options must be exhausted in order to ease eligibility and, for example, eliminate asset and savings thresholds. This would require local government parity and the identification of potential sources from which these funds could be extracted.

How do SNAP and NAP treat people with disabilities?

Under SNAP, people with disabilities are allowed a higher level of resources, similar to the limits that apply to people age 60 and over. A maximum of \$3,750 in countable resources is allowed unless the state uses BBCE, in which case it may be higher. Resources of people who receive SSI or TANF are not considered. The person must be certified as disabled by a state or federal agency.

²⁹ Government of Puerto Rico, Department of Family Affairs, Administration for the Socioeconomic Development of the Family (ADSEF). Statistics by county. July, 2022.







Under NAP, the person with disabilities must also have state or federal government certification. Resource limits are the same as for people without disabilities: \$5,000. An income deduction of \$100 is granted for each person with a total disability; \$200 is granted for care expenses for the person with disabilities while the caregiver attends work, college, or a training program. If the person receives social security disability income, 50% of that income is deducted. According to ADSEF data from February 2022 to March 2022, the average number of people on NAP with a disability was 89,094.

How do SNAP and NAP treat unemployment compensation income?

Unemployment compensation income must be reported to both NAP and SNAP. SNAP does not have special provisions for income generated by unemployment compensation as it is not earned income. NAP deducts 50% of unemployment compensation, up to \$700 per month.

Is there a time limit to participate in SNAP and NAP?

SNAP and NAP participants can receive benefits for their entire lives as long as they are eligible, as demonstrated by their recertification. However, under SNAP, individuals ages 19 to 49 who can work and who do not have dependents (ABAWDs), nor are guardians of a person with disabilities, cannot receive benefits for more than three months in a three-year period unless they meet particular employment or training requirements. A jurisdiction with an unemployment rate of 10% or more or with limited jobs can request that its participants be released from this requirement. In the first quarter of 2020, and just before the COVID pandemic started to hit, thirty-two states applied for exemption.

NAP does not impose time limits on any of its participants.

What are the employment requirements for NAP and SNAP?

SNAP imposes two types of work requirements.³⁰ Individuals ages 16 to 59 who are able to work must meet the general

³⁰ SNAP Work Requirements. [SNAP Work Requirements | Food and Nutrition Service \(usda.gov\)](#); NCSL. May 17, 2018. SNAP Work Requirements Fact Sheet. [NCSL | SNAP Work Requirements Fact Sheet \(ncsl.org\)](#)

work requirements, which include being registered as available for work, participating in a SNAP or workforce training program, not quitting their jobs nor reducing their work hours without good reason, and accepting work if it is offered. People who already work at least thirty hours a week, go to school full time, have children under six years old, have a mental or physical disability, or care for a person with disabilities are exempt from the general work requirements. A person supposed to, but failing to, meet the general work requirements is disqualified for one month. If they still do not meet the requirements upon returning to the program, they may be disqualified for three months the second time, and six months the third time, up to a lifetime. Some states have imposed different disqualification periods. Individuals ages 18 to 49 who are able to work and who do not have dependents (ABAWDs) must meet the general work requirements and work eighty hours a month in a paid, unpaid, or volunteer work position; participate in a work training program for eighty hours a month; or complete a combined eighty hours of work and training per month to keep their benefits after three months. States may request to be waived from these requirements if the unemployment rate in the area is greater than 10% or if the area has limited jobs.



NAP allows an eighteen-month transition to work, where all or a portion of the gross income is excluded from the benefit calculation. As approved by the FNS for FY 2021, the schedule is as follows:

Months | Income Exemption

1-6 = 100%

Months | Income Exemption

7-12 = 66%

Months | Income Exemption

13-18 = 33%

Source: PR NAP State Plan of Operations, FY2021, p. 29. <https://www.fns.usda.gov/snap/nap-state-plan-operations-puerto-rico>

NAP has no employment requirements. ADSEF began the planning process to implement a work requirement for ABAWDs in FFY 2021, with the intended implementation starting in FFY 2022.

How are rent, mortgage expenses, and utilities considered under SNAP and NAP?

Under SNAP, you can deduct housing expenses for rent, mortgage, water, electricity, and heating that exceed 50 percent of the net income, up to a maximum of \$597 in FFY 2022. There is no cap for seniors or people with disabilities. Some states assign the amounts for utilities. NAP does not deduct these expenses.

How are medical expenses and child/dependent care expenses considered under SNAP and NAP?

Under SNAP, the total cost of childcare expenses for children ages 0 to 17 or care expenses for adults with disabilities can be deducted so that the guardian or caregiver can work. SNAP allows deductions for out-of-pocket medical expenses over \$35.

Under NAP, \$225 can be deducted for childcare of children up to two years old and \$200 for adults with disabilities or children over age 2 so that the guardian or caregiver can work. There is a deduction of up to \$100 for out-of-pocket medical expenses.

Case simulations

Case 1



Couple, 66 and 67 years old, \$2,000 monthly social security income, \$5,000 in savings, own their home and one car. Home and car are not counted as resources under NAP. Home is not counted as a resource under SNAP. Car may be counted as a resource, but most states do not count it since this is one of the flexibilities allowed. This simulation assumes that the car is not counted as a resource.

This couple does not qualify for SNAP because their **resources are over \$3,750**, unless Puerto Rico adopts BBCE and the couple qualifies for one of the TANF services.

The maximum amount of resources allowed under **NAP is \$15,000**, so this family could be eligible, depending on their net income.

Case 2



Couple, 66 and 67 years old, homeowners, \$2,000 monthly social security income, \$0 in resources, \$125 monthly utility costs, \$100 each in monthly medical expenses.

	SNAP	NAP
Gross income	\$2,000	\$2,000
Deductions ¹	<i>Not applicable</i>	- \$1,000
Deductions per person age 60 and over	<i>Not applicable</i>	- \$200
Standard deduction	- \$177	- \$100
Medical expense deduction ²	- \$165	- \$200
Net income	\$1,658	\$500
Family contribution to food expenses ³	\$497	\$75
Maximum benefit	\$459	\$280
Additional amount for seniors ⁴	<i>Not applicable</i>	\$56
Benefit allocated⁵	\$0	\$261

1. NAP deducts 50% of income from pensions and social security.

2. SNAP deducts the total amount of medical expenses from \$35, while NAP deducts up to \$100.

3. SNAP expects families to contribute 30% of their net income for food expenses, while NAP expects 15%.

4. NAP gives an additional 20% in benefits per person age 60 and over.

5. Maximum benefits minus expected family contribution. Benefits are zero if expected family contribution is greater than the maximum benefit.

Case 3



Mother with two school-age children, \$1,500 monthly salary, \$400 monthly after-school care expenses, \$450 monthly rent and utility costs.

	SNAP	NAP
Gross income	\$1,500	\$1,500
Deductions ¹	-\$300	-\$700
Childcare deductions ²	-\$400	-\$400
Standard deduction	-\$177	-\$100
Net income	\$623	\$300
Deduction for housing expenses ³	\$139	<i>Not applicable</i>
Family contribution to food expenses ⁴	\$145	\$45
Maximum benefit	\$658	\$368
Benefit allocated (maximum family contribution)	\$513	\$320

1. SNAP deducts 20% of income, while NAP deducts 50% up to \$700.
2. SNAP deducts the total amount of childcare expenses, while NAP deducts up to \$200 per child age two and over.
3. SNAP deducts the total amount for shelter costs over 50% of net income, capped at \$597.
4. SNAP expects that families contribute 30% of their net income for food expenses, while NAP expects 15%.
5. Maximum benefits minus expected family contribution.

Case 4



35-year-old individual, unemployed, no disabilities, no dependents

	SNAP	NAP
Gross income	\$0	\$0
Net income	\$0	\$0
Contribution to food expenses	\$0	\$0
Maximum benefit	\$250	\$140
Benefit allocated¹	\$250	\$140

1. Under SNAP, ABAWDs receive benefits for three months in a three-year period unless they meet particular employment or training requirements, or unless state has a waiver. NAP does not impose time limits on any of its participants.

Case 5



50-year-old mother with college-age daughter, rent and utilities less than 50% of the net monthly income, \$800 monthly social security disability income (SSDI), \$100 monthly medical expenses.

	SNAP	NAP
Gross income	\$800	\$800
Deductions ¹	<i>Not applicable</i>	- \$400
Deduction for college student ²	<i>Not applicable</i>	- \$100
Standard deduction	\$177	- \$100
Deduction for disability	<i>Not applicable</i>	- \$100
Medical expense deduction ³	- \$65	- \$100
Net income	\$558	\$0
Family contribution to food expenses ⁴	\$167	\$0
Maximum benefit ⁵	\$250	\$257
Benefit allocated	\$83	\$257

1. NAP deducts 50% of income from pensions and social security.
2. SNAP does not consider college students, while NAP deducts \$100 per college student.
3. SNAP deducts the total amount of medical expenses from \$35, while NAP deducts up to \$100.
4. SNAP expects families to contribute 30% of their net income for food expenses, while NAP expects 15%.
5. Under SNAP, college students are not eligible, and the maximum benefit corresponds to a single-person household, while under NAP, students can receive benefits and belong to a two-person household.

Case 6



40-year-old mother with two children ages 4 and 15, public housing, \$0 monthly rent, \$0 monthly income.

	SNAP	NAP
Gross income	\$0	\$0
Net income	\$0	\$0
Family contribution to food expenses	\$0	\$0
Maximum benefit	\$658	\$368
Benefit allocated	\$658	\$368

Concluding remarks and policy recommendations

Given the high rates of poverty for families with children and youth, being able to meet food and nutrition needs remains a challenge in Puerto Rico.

Food assistance programs provide key support to ensure that persons living in poverty achieve food security. In 2021, 1.5 million people participated in NAP, the largest nutritional aid program in Puerto Rico, 24% of this number were children and youth under the age of 24. During the first 8 months of federal fiscal year 2022, NAP distributed over \$2 billion in benefits. Clearly, changes to this program have immense consequences for families and the economy.

The current NAP program creates a disparity between benefit levels in most U.S. jurisdictions and those in Puerto Rico. As shown in the case studies, benefits for a mother with 2 children are higher in SNAP.

The disparity may be addressed through an increase in the NAP block grant, or through a transition to the SNAP entitlement in Puerto Rico. On the one hand, NAP allows broader discretion for local agencies to define rules in tune with Puerto Rico's policy interests and adjusted to the local context, including special considerations for post-secondary students, significant income deductions for the elderly, farm workers, and bonafide farmers. It also has a work transition period

to reduce the benefit cliffs by which earned income is deducted gradually in an 18 months period. However, a transition to SNAP will provide higher and more consistent benefit levels overall. It will also create a disaster response mechanism, all of which is necessary to ensure equitable food security for children, youth, and families Puerto Rico and an increased capacity to make healthier food choices.

Even though this transition may reduce eligibility for certain current NAP

beneficiaries these concerns can be addressed through flexible programs. Some elderly, persons with disabilities, post-secondary students, and able-bodied people without dependents could be impacted but the local government can bridge these gaps implementing available flexible programs. Ongoing consideration and review of the impact on the current program beneficiaries

can ensure that it broadly meets the needs of those who may be facing challenges to qualify after the transition.

The transition from NAP to SNAP will be a lengthy process. A report from FNS estimates 10 years, while some bills suggest 5 years. In the meantime, there's a need to adopt mechanisms— at the federal and local levels to address current inequities within the NAP program during the duration of the NAP to SNAP transition.

**10
years**

**could take the
transition from
NAP to SNAP**



The following recommendations are proposed to avoid the negative impacts on food and nutrition security:

Federal

- **Enable the transition:** Congress should enable Puerto Rico to transition out of the block grant model for nutritional assistance, and into SNAP.
- **Increase the NAP block grant until that transition is effective:** Congress should increase the NAP block grant to provide parity in nutritional support to the people of Puerto Rico. Such an increase in funds will not only strengthen food security, but could also support efforts to reduce benefit cliffs³¹ and provide greater access to benefits for families who work but are paid low wages.
- **Access to a permanent disaster fund:** Congress should provide Puerto Rico access to a permanent disaster fund to support nutritional assistance. Recommendations of the Office of the Inspector General of USDA regarding time delays during Hurricane Maria should be followed to ensure capacity to quickly meet increased needs and demand during disaster events, which are not uncommon in Puerto Rico. This may be achieved through the D-SNAP program, at the same maximum benefit levels provided to SNAP participants.
- **Develop a Thrifty Food Plan (TFP) for Puerto Rico:** Congress should allocate funds to carry out this study. With information from the Thrifty Plan Congress can have a better sense about the needs in Puerto Rico and the appropriate size of the block grant to guarantee food security. The USDA report provides several options with different time frames for calculation of a TFP for Puerto Rico, all the way up to 5 years. The cost of implementing the most reliable combinations is significant, but necessary to ensure benefit levels that provide a healthy diet.

³¹ Benefit cliffs occur when a small increase in earnings means a family no longer can receive a public benefit which was helping them to feed their families, afford medical care, access quality child care or otherwise balance their budget. See Campbell, E. (2022). Policy Change Can Reduce Benefit Cliffs and Incentivize Work. The Center For Community Solutions. https://www.communitysolutions.com/wp-content/uploads/2022/02/Issue-Brief_Benefit-Cliff_02212022.pdf



- **Ensure measures for low-income undergraduate students:** Congress should provide for low-income undergraduate students who can demonstrate an exceptional financial need, to be eligible for SNAP. If a student filed independent in the College Financial Aid application or if the family's total income is \$27,000 or less -which reflects an expected family contribution (EFC) of zero-, and is employed at least 10 hours per week, the student should have access to cover his or her nutritional needs with SNAP program benefits.
 - **Develop a plan to mitigate the effects of the transition:** Government must develop a plan to mitigate the effects that the transition to SNAP could have in some elderly, students, and able bodied without dependents. This plan should explore flexibilities through Broad Based Categorical Eligibility (BBCE) under SNAP, and identify supplemental funding to meet needs of populations who could lose benefits under SNAP.
 - **Evaluate the transition to workplan to insert people to the workforce:** ADSEF has presented a transition to workplan of able bodies without dependents in various State Operation Plans. This transition to work should be evaluated to gain a better understanding of how this population can be inserted into the workforce, since this is a group that could be negatively affected under a transition to SNAP.
 - **Make case-level data available to researchers:** ADSEF should make case-level data available to researchers for a detailed and more accurate assessment of the impacts of the transition from NAP to SNAP.
- ## Government of Puerto Rico
- **Examine barriers to participation:** One in every four households living in poverty do not participate in NAP. ADSEF should examine barriers to participation such as frequency of recertification, document requirements, or access to local offices, among others and follow up on dropout cases to see if they are no longer eligible.



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