

Chapter 10

SNAP and UI as Components of a Joint Safety Net in Texas

Daniel Schroeder

Ashweeta Patnaik

University of Texas at Austin

The goal of this chapter is to examine the operation of a two-program safety net for workers in Texas that consists of the combination of unemployment insurance (UI) and the Supplemental Nutrition Assistance Program (SNAP), formerly known as the Food Stamp Program. We try to understand the operation of this joint safety net in part by examining very large data sets consisting of all persons in Texas supported by one or both of these programs over a 12-year period. The goal of discerning the joint safety net's operation can be daunting, but it can be understood as a series of simplifying assumptions. As we progress through the topics in this chapter, it is in some sense a walk through a series of assumptions toward an application at the end, with the hope that we learn a number of things along the way.

We begin this chapter with an overview of the Great Recession's impact on the two safety net programs in Texas. We then convert data on individuals' receipt of program benefits over time into spells. We broaden the definition of spells to include periods of time in which benefits were received from either UI or SNAP, or both; we refer to these periods as *joint safety-net spells*. Next, we classify the voluminous spells in two ways. First, we collapse all joint spells into one of four broad patterns determined by whether the recipients accessed one or both programs, and in what order. Next, we classify spells by looking at the macroeconomic environment in the time period in which the spells occurred. Here we divide our study into three broad periods: 1) prerecession, 2) recession, and 3) jobless recovery. The

first two are likely familiar to most people. The third period, jobless recovery, we define to refer to the period of time between when the recession officially ended and nominal growth began, and continuing as long as the policy of making UI benefits available for extended durations was kept in place. Finally, we illustrate the data by plotting income flows over time for joint safety-net beneficiaries, before, during, and after their use of these programs. We then conclude the chapter by applying these tools to a policy question that Texas is uniquely positioned to answer: what happens to able-bodied adults without dependents (ABAWDs) when they are subjected to varying policies on exemptions from the general rule placing strict time limits on their receipt of SNAP benefits?

THE GREAT RECESSION'S IMPACT ON THE LONE STAR STATE

Texas is the second largest of the 50 U.S. states (after Alaska), with a land area of 261,232 square miles, and the second most populous (after California), with 28,701,845 residents (U.S. Census Bureau 2018). Texas shares an international border with Mexico and has unique geographic and demographic characteristics that in recent years have helped lift its economy. Four factors have driven the growth of jobs in Texas since the late 1980s: 1) rapid population growth resulting from a high birth rate and international immigration; 2) low housing costs and population density due to land availability and lending regulations; 3) abundant oil and gas resources; and 4) its prime location along the Mexican border, which encourages trade and job growth (McNichol and Johnson 2012).

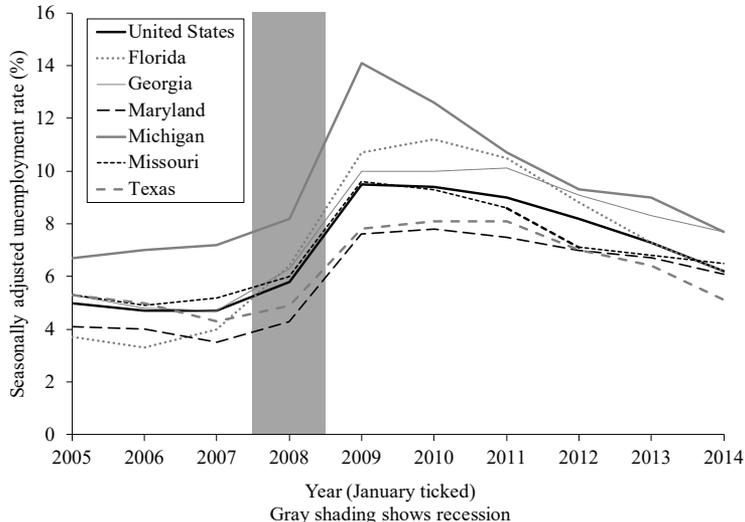
Unemployment in Texas

While the Great Recession officially began in December of 2007 and ended in June of 2009, its impact varied across states, both in

timing and in magnitude (see Figure 10.1). During the Great Recession, the U.S. unemployment rate more than doubled, from an average of 4.6 percent in prerecession 2007 to a peak of 10.0 percent in postrecession 2010. However, increases in the Texas unemployment rate, reflecting a shorter recession and stronger job growth during the recovery, were somewhat subdued relative to those of the nation as a whole. From prerecession rates of as low as 4.2 percent in 2007, the Texas seasonally adjusted unemployment rate doubled to a high of 8.4 percent in 2009 (BLS 2019).

During the recovery, the unemployment rate decreased slowly but steadily in the state and the nation. The Texas seasonally adjusted unemployment rate declined 4.2 percentage points from its peak of 8.4 percent in 2009 and stood at 4.2 percent in April 2015, just below its prerecession average of 4.3 percent in 2007 (BLS 2019). Texas had

Figure 10.1 Monthly Unemployment Rates (seasonally adjusted), 2005–2014



NOTE: Gray shading shows recession.
 SOURCE: Federal Reserve Bank of St. Louis.

the second-highest over-the-year job increase (287,000) in the United States during the period from April 2014 to April 2015 (BLS 2015).

Unemployment Insurance in Texas

Prior to the recession in 2007, about 7.6 million U.S. workers who lost their jobs started receiving UI benefits. During the recession, this number increased substantially and peaked at about 14.1 million in 2009 but declined to about 7.8 million workers in 2013. Similarly in Texas, the number of workers who lost their jobs and started receiving UI benefits increased from a seasonally adjusted average of about 280,000 workers in prerecession 2007 to a peak of about 714,000 workers during the recession in 2009, then declined to about 450,000 workers in 2013 (USDOL 2017).

As discussed in an earlier chapter, the total number of UI recipients each year went up during the recession not just because of the increase in the number of new recipients, but also because unemployed workers received those benefits for longer periods. Eligible workers received benefits for longer periods for two reasons: 1) finding work became more difficult and 2) they *could* receive UI benefits for an extended period (CBO 2012). The share of UI recipients in the United States who exhausted their regular benefits, which in most states lasted for 26 weeks, increased from about 36 percent in prerecession 2007 to a peak of about 55 percent during the recession in 2009, and it subsequently fell to 45 percent by 2013. In Texas, the share of UI recipients who exhausted their regular benefits grew from 37 percent in prerecession 2007 to a peak of 60 percent during the recession in 2009 and fell to 49 percent by 2013 (USDOL 2017).

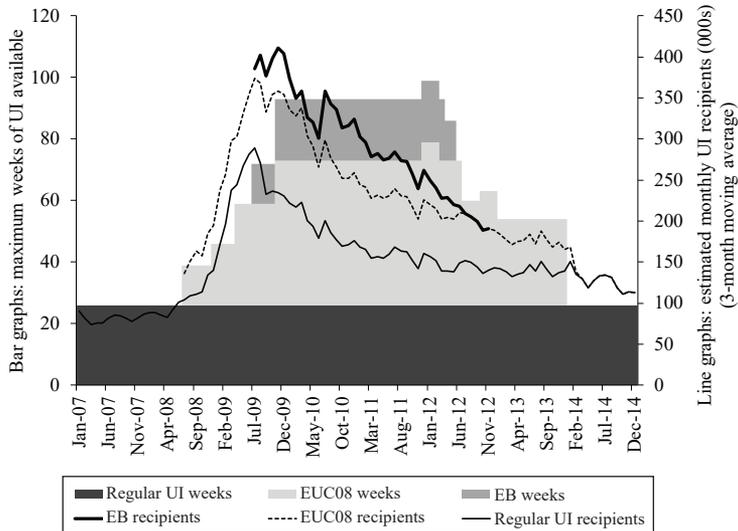
In Texas, three factors influenced the flow of UI recipients: 1) the maximum number of weeks available under the regular UI program remained consistent throughout the time period at 26 weeks, 2) the Extended Benefits program was in place between May 2009 and May 2012, and 3) the EUC program was in place between July 2008 and December 2013. Figure 10.2 presents smoothed estimates of total UI

recipients in Texas with stacked line graphs broken down by program (using data from the Employment and Training Administration’s 5159 Report), along with the stacked bar graphs showing the number of benefit weeks available from each of the three UI programs. The periods during which EUC08 and EB were available overlap closely with the periods in which the 5159 data record recipients in each of those programs.¹

SNAP in Texas

Food security for a household means access by all members at all times to enough food for an active, healthy life. Food-insecure households are those that at times during the year are uncertain of having, or unable to acquire, enough food to meet the needs of all their

Figure 10.2 Texas UI Recipients by Source and Total Maximum Weeks of UI Available

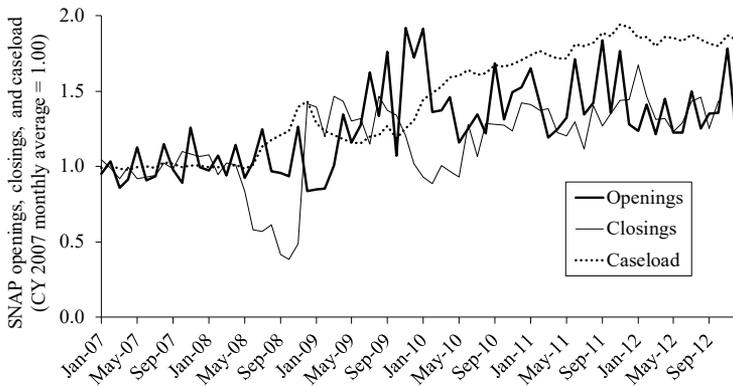


SOURCE: USDOL.

members because they have insufficient money or other resources for food (USDA 2018b). Nationwide, the prevalence of household food insecurity increased from a prerecession rate of 11.0 percent in 2005–2007 to a rate of 14.6 percent during the recession in 2008–2010 (USDA 2018a). In Texas, the household-level food insecurity rate also increased significantly from a prerecession rate of 14.8 percent in 2005–2007 to a rate of 18.8 percent during the recession in 2008–2010 (Coleman-Jensen, Gregory, and Singh 2011). Despite a better economic outlook, the Texas household food insecurity rate was also significantly higher than the U.S. rate during the recession (Coleman-Jensen et al. 2011). And despite the economic recovery, both the Texas and the nationwide household-level food insecurity rates stayed steady in 2011–2013 at recession levels of 18.0 percent and 14.6 percent, respectively (Coleman-Jensen, Gregory, and Singh 2014).

The USDA's food and nutrition assistance programs increase food security by providing low-income households access to food, a healthful diet, and nutrition education. SNAP is the largest of these programs and is a central component of American policy to alleviate hunger and poverty (Cunningham 2016). The program's primary purpose is to increase the food purchasing power of eligible low-income households to improve their nutrition and alleviate hunger and malnutrition (Rosenbaum 2013). As a means-tested program, SNAP is one of the federal government's primary countercyclical programs, expanding during economic downturns and contracting during periods of economic growth. In general, the percentage of the population on SNAP closely tracks the poverty rate and, to a lesser degree, the unemployment rate (Oliveira 2015).

The onset of the Great Recession in Texas in early 2008 (slightly later than in other states) brought a fall in SNAP case closings but no large increase in case openings (see Figure 10.3). On the other hand, late 2009 saw both an increase in openings and a decline in closures, with a consequent surge in the caseload. Again, despite the nominal economic recovery starting in late 2009, SNAP caseloads in Texas

Figure 10.3 Texas SNAP Openings, Closings, and Caseload

SOURCE: USDOL.

continued to increase well after it had formally been declared that the recession had ended. The number of caseloads finally peaked in late 2011.

SAFETY NET SPELLS

In studying the operation of these two safety net programs, the concept of individual spells of receipt is an important simplifying assumption. We define safety net spells in order to characterize individuals' receipt of benefits over time. A spell consists of a relatively continuous period of consecutive months of benefit receipt, with the provision that single months of nonreceipt within a larger spell are smoothed over and counted as a continuing spell.

To test the operation of the joint safety net, we define spells in such a way that they reflect benefit receipt from either program in any given month. Thus, receipt of either SNAP benefits or unemployment benefits in a month is regarded as evidence of spell continuation. We

also smooth over one-month gaps as described above, which effectively means that a spell ends only when one experiences two full calendar months of benefit nonreceipt from both programs.

Patterns of Participation in Joint Spells

When one defines spells based on participation in one program or another, or both, on a monthly basis, looking for patterns can be potentially overwhelming, given that there are tens of thousands of possible combinations of paths taken. We (Schroeder 2011) and our research partners (Heflin and Mueser 2013) have had some success in creating categorization schemes for analyzing such spells, and we have found some interesting patterns in the resulting outcomes data. In retrospect, however, the schemes we used tended to yield too many categories whose usefulness for describing outcomes did not seem to extend much beyond two factors: 1) how the spells started and 2) which components were accessed. Thus, in the interest of parsimony, we have simplified our scheme for categorizing joint participation in SNAP and UI into four patterns:

- 1) The *UI-only* group received only unemployment insurance benefits during the spell.
- 2) The *UI-first* group received both UI and SNAP benefits during the spell, but it received only UI in the first month.
- 3) The *SNAP-first* group received both SNAP and UI benefits during the spell, but it received SNAP in the first month. Members of this group may or may not also have received UI in the first month.
- 4) The *SNAP-only* group received only SNAP benefits during the spell.

Note that the order in which we have described these patterns of joint safety-net use roughly corresponds with the expected relative affluence levels of those likely to exhibit the patterns. Thus, those making use of UI-only benefits were expected to have had the stron-

gest work histories with the highest preprogram earnings. Among those receiving UI first, we expected to see strong workforce attachment and, perhaps for some, a reluctance to apply for food benefits right away that eventually gave way to need. Among those receiving SNAP first, there were likely many working poor, whose earnings are chronically too low to disqualify them from long-term use of SNAP but who at some point lost their jobs and had to access UI as well. Among SNAP-only recipients, most would have been expected to be unemployed or earning too little, too sporadically, to have qualified for UI. Of course, one expects significant variation in income as well as other characteristics in all four of these groups, but the general trends noted here may prove useful in interpreting outcomes based on this classification.

Moving forward, we use this scheme to organize the description of joint safety-net users' characteristics as well as outcomes. While one might expect that the primary interesting results to follow will be those involving recipients in one of the two groups who receive benefits from both programs, UI-first or SNAP-first, it is worth noting that the UI-only and SNAP-only groups also represent little-studied populations. Whereas most studies done on SNAP or UI separately will, knowingly or not, include in their samples recipients of the other program, here we focus on groups that received one benefit to the exclusion of the other.

Characteristics of Joint Safety-Net Recipients

In this section, we present characteristics of joint safety-net recipients broken out by their participation patterns, as defined in the previous section (Table 10.1). We do not attempt to describe the characteristics of joint safety-net participants as a whole, in part because of the heterogeneity among these groups, and in part to facilitate comparison across states, since some states in our group do not have data on the UI-only group. In examining recipient characteristics, we exclude censored spells in order to better frame the work done on spell dura-

Table 10.1 Characteristics of Joint Safety-Net Participants, by Participation Pattern

	UI only	UI first	SNAP first	SNAP only
Demographics				
Age (yrs.)	34.9	39.7	36.9	36.0
Male (%)	58.9	49.9	39.4	45.3
Female (%)	41.1	50.1	60.6	54.7
Black (%)	29.5	32.6	27.2	34.3
White (%)	26.3	29.2	30.9	22.2
Hispanic (%)	41.5	35.0	39.3	39.0
Other race (%)	2.6	3.3	2.6	4.5
ABAWD in current or prior spell (%)	30.6	30.9	33.0	28.2
Earnings history				
Employed 4–6 months prior (%)	75.1	90.3	82.1	37.7
Monthly earnings 4–6 months prior (\$)	2,039.50	2,335.80	1,200.10	484.20
Experienced an earnings dip of at least 20% within prior 8 quarters (%)	41.0	39.0	41.0	29.4
Delay between earnings dip and spell begin (in quarters)	3.6	3.3	4.0	4.6
Dollar amount of earnings dip (in quarterly earnings) (\$)	4,718.10	5,364.10	3,755.50	2,597.00
Earnings dip as a percentage of prior income (%)	72.5	74.9	72.2	80.2

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

tions later. We also restrict our examination to the last spell for each recipient during the time period of the study to ensure that recipients with multiple spells during the time period are counted only once.

The average age of recipients in all four groups was similar, ranging from 35 years in the UI-only group to 40 years in the UI-first group. While the UI-only group comprises mostly men, the distribution of men and women in the UI-first group is even. In contrast, the

SNAP-first and SNAP-only groups are made up mostly of women. The distribution of race across all four groups was similar, with a few notable differences: the proportion of white recipients was lowest and the proportion of black recipients was highest in the SNAP-only group. The proportion of Hispanic recipients was highest in the UI-only group.

We examined whether recipients had ever been an able-bodied adult without dependents (ABAWD) in the current spell or any prior spells and found that the proportion was notably high across all the groups. In the UI-only, UI-first, and SNAP-first groups, about a third of recipients had at one time been classified as an ABAWD; the proportion was slightly lower, at 28 percent, in the SNAP-only group. The experiences of ABAWDs in Texas are examined in greater detail in the final section of this chapter.

We also examined the preprogram employment and earnings history of recipients. A vast majority of recipients in the UI-only, UI-first, and SNAP-first groups were employed in the prior quarter, compared to only a little over a third of recipients in the SNAP-only group. Looking at the average earnings in the prior quarter, we found that recipients in the UI-only and UI-first groups had the highest preprogram earnings, followed by recipients in the SNAP-first group, while recipients in the SNAP-only group had the lowest preprogram earnings. About 41 percent of recipients in the UI-only, UI-first, and SNAP-first groups had experienced an earnings dip (defined as being a dip of at least 20 percent) within the prior eight quarters, whereas only 30 percent of recipients in the SNAP-only group had experienced an earnings dip.

These findings about the earnings histories of recipients support our conjecture that the patterns of joint safety-net use would correspond to the relative affluence levels of recipients. That is, UI-only recipients were likely to have had the strongest work histories, UI-first recipients were likely to have had strong workforce attachment, SNAP-first recipients were likely working poor, and SNAP-only recipients were likely unemployed or earning too little or too

sporadically to qualify for UI. Of course, the patterns discussed here are collapsed across all economic conditions experienced during the study period. In the next section, we dig further to see how patterns of pre- and postspell incomes vary by the macroeconomic conditions in which their spells started.

The Joint Safety Net and the Economy

In this section, we examine joint safety-net spells in terms of the macroeconomic environment in the time period during which the spells occurred. Here we divide our study into three broad periods:

- Prerecession, including spells starting between January 2003 and November 2007
- Recession, including spells starting between December 2007 and June 2009
- Jobless recovery, including spells starting between July 2009 and April 2012²

We defined jobless recovery to refer to the period of time between when the recession officially ended and when nominal growth had begun, and continuing as long as the policy of making UI benefits available for extended durations was kept in place. For Texas, this included either EB or EUC08 benefits, the availability of which finally ceased in December 2013. Although we know of no precedent for treating this final time period separately from other nonrecessionary periods, or periods when the economy is technically growing, this recovery in the face of high unemployment was a relatively new phenomenon, which we felt justified its inclusion as a separate group.

Using this classification, we could examine basic descriptive information on joint safety-net spells of the four types of participation patterns. We then illustrated the data by plotting income flows over time for joint safety-net beneficiaries before, during, and after their use of these programs.

Spell trends

We start by looking at trends in the distribution of new safety-net spells across participation patterns under differing economic conditions. Table 10.2 shows, for each combination, the average number of new spells per month, counting only completed, uncensored spells. As expected, all four types of safety-net spells became more frequent during the recession, as compared to the prerecession period. On the whole, spell starts were 27 percent more frequent during the recession. Somewhat surprisingly, spells overall were even more frequent in the jobless recovery period; however, most of this was due to increased frequency of SNAP-only spells. UI-only spells represented the only

Table 10.2 Spell Counts by Participation Pattern and Economic Conditions

	Number of new spells per month			
	UI only	UI first	SNAP first	SNAP only
Prerecession	9,097	2,991	2,688	61,558
Recession	15,096	7,213	4,380	70,411
Jobless recovery	13,432	7,294	4,354	85,119

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

type that substantially declined in frequency subsequent to the recession. Finally, in confirmation of patterns seen in studies by Schroeder (2007) and Gould-Werth and Shaefer (2014), spells that combined UI and SNAP were more common during the recession (11.9 percent of new spells) than in the prerecession period (7.4 percent). Combined SNAP and UI spells continued to be more common (10.6 percent of new spells) during the jobless recovery period. Thus, the finding that recipients were more likely to combine SNAP and UI benefits during recessionary periods appears to be robust, and the tendency extends to the jobless recovery period as well.

Next, we examine the durations of joint safety-net spells. Table 10.3 shows average spell durations occurring in each of the four participation patterns, broken out by the macroeconomic conditions

Table 10.3 Spell Durations (in months) by Participation Pattern and Economic Conditions

	UI only		UI first		SNAP first		SNAP only	
	Spell duration	6-month recidivism						
Precession	3.6	21%	12.8	28%	27.6	45%	10.8	29%
Recession	6.0	32%	17.3	33%	24.0	50%	10.0	36%
Jobless recovery	5.7	28%	14.0	31%	17.3	47%	8.7	38%

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

under which the spell started. Note first of all that UI-only spells were by far the shortest. Averaging 3.6 months prior to the recession, these spells nearly doubled in length during the recession, then remained nearly as long during the jobless recovery period. UI-first spells followed a similar pattern. Recall that people in this group received UI only in the first month, then also received SNAP later during the same spell, so their spells were understandably longer than UI-only spells. Safety-net spells among those receiving UI first averaged nearly 13 months prior to the recession, rose to over 17 months during the recession, and dropped back to 14 months in the jobless recovery period.

Whereas the UI-only and UI-first patterns followed standard economic expectations of safety-net utilization by workers over a recession-and-recovery cycle, spell durations among those receiving SNAP first were more peculiar. In this group, the longest spells, averaging over 27 months, occurred during the precession period, while SNAP-first spells during the recession were shorter at 24 months, and jobless recovery spells were shortest at 17 months. SNAP-only spells were considerably shorter than SNAP-first, but they followed a similar pattern, getting progressively shorter—from the precession, to the recession, to the jobless recovery period. While these patterns might seem to make little sense given the macroeconomic conditions, we may see in the next section how these could be interpreted

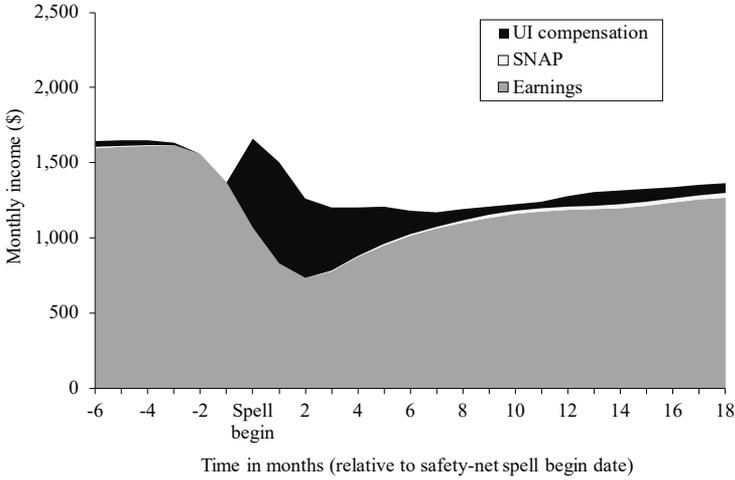
in terms of changes in the characteristics of the population utilizing the benefits.

Income flows

Next we examined income flows over time by plotting average monthly income totals from three sources, beginning six months prior to the beginning of the joint safety-net spell and continuing for 18 months subsequent to the begin date. This type of chart stacks the income totals so one can readily grasp the relative contributions from each source, as well as the total across income sources, at each point in time. Incomes plotted include unemployment insurance benefits, summed across weekly payments to the calendar-month level; SNAP benefits provided; and monthly earnings as estimated from quarterly UI-reported income. In interpreting these charts, it is important to keep in mind that, for example, at any given point beyond the spell begin date, some safety-net spells are still ongoing and some have ended, and we are looking at the average across all of them. Moving still farther to the right on the chart, one finds that some have even restarted new spells. By taking the average across individuals, we can get an idea of the group tendency of continuing reliance on benefits and potentially increasing earnings as time progresses.

UI only. Figure 10.4 shows income flows over time for UI-only safety-net participants prior to the recession. This shows the unemployment insurance program as it operates in normal, expansionary economic times. Note how earnings levels, which earlier had averaged around \$1,600 per month, began to dip several months before the safety net was accessed. This is a clear illustration of the earnings dip phenomenon first noted by Ashenfelter (1978). From Table 10.3, we know that the average duration of safety-net spells is 3.6 months among UI-only recipients in the prerecession period. And from Figure 10.4, it is evident that average earnings reached a nadir relatively quickly, about two months after the spells started, then began recovering toward prior levels.

Figure 10.4 Income by Source, UI Only, Prerecession



SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

As an aid to better quantifying the earnings patterns we observe in these charts, Table 10.4 displays the average earnings for selected pre- and postspell intervals. This table estimates baseline earnings from four to six months prior to the safety-net spell beginning, for the most part omitting the earnings dip from this estimate. Follow-up earnings are estimated 16 to 18 months after the spell started, regardless of whether the spells had been completed or not, as a way to compare outcomes across categories with spells of varying durations. Thus, we see that UI-only recipients in the prerecession period managed to regain 78 percent of their former earnings levels after one-and-a-half years. Again, this illustrates the UI program operating as designed during economic expansion, helping workers with short-term cash flow after they lose their jobs, until they can get back on their feet.

Next, we examine the joint safety-net spells of UI-only recipients that started during the recession. Recall that their spells averaged six

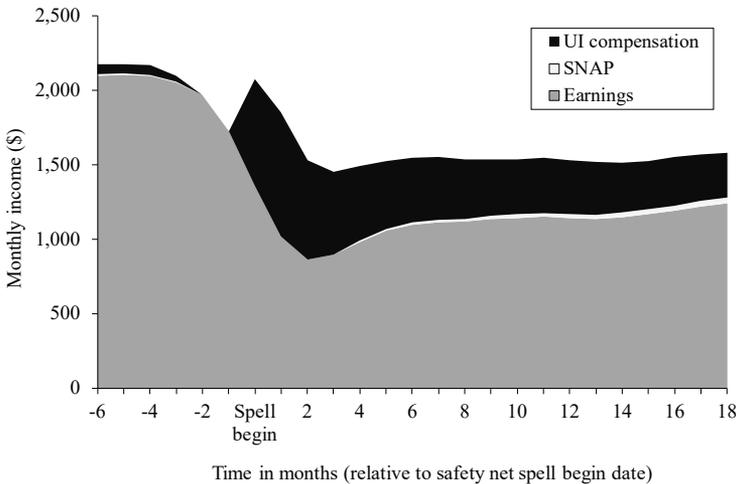
Table 10.4 Earnings Trends, UI-Only Group

	Monthly earnings 4 to 6 months prior (\$)	Monthly earnings 16 to 18 months post (\$)	% of earnings regained
Precession	1,605	1,253	78
Recession	2,099	1,217	58
Jobless recovery	1,991	1,465	74

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

months in duration, substantially longer than prior to the recession. Figure 10.5 illustrates the income flows over time. While the general trends were similar to those in the prerecession chart, two important differences emerge. First, the average prespell earnings were significantly higher, averaging almost \$500 a month more than those of prerecession UI-only spells. This strongly suggests that a shift in the population accessing these benefits occurred in response to the

Figure 10.5 Income by Source, UI Only, during Recession



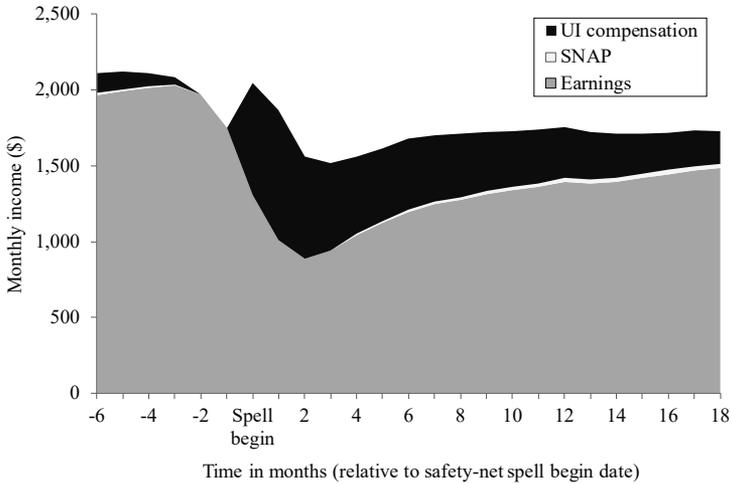
SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

recession, so that UI-only recipients during the recession come from higher-earning backgrounds.

Second, we find that a year and a half after their spells started, recipients regained a smaller share of their prior income (58 percent) compared to those recovering from prerecession spells (78 percent). Since these figures reflect unconditional earnings, they represent a combination of employment and earnings effects. Thus, we may conclude that UI-only recipients during the recession either were less likely to have regained employment or did so at reduced earnings rates subsequent to their safety-net spells.

Next, we examine joint safety-net spells of UI-only recipients that started during the jobless recovery period, the income flows for which are illustrated in Figure 10.6. One has to look carefully to confirm that Figure 10.6 is different from Figure 10.5. In fact, the statistics reveal them to be quite similar. Jobless recovery UI-only spells averaged

Figure 10.6 Income by Source, UI Only, Jobless Recovery



SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

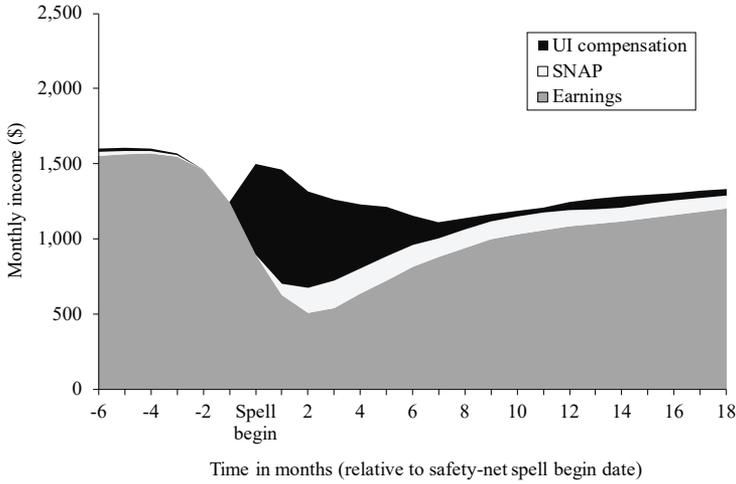
5.7 months in duration, as compared to 6.0 months for recessionary spells, and their prespell earnings were similarly high, suggesting that the trend of previously higher-earning recipients continued into the jobless recovery period. One difference, however, is that jobless recovery UI-only recipients did manage to regain a higher percentage of their former incomes, which, at 74 percent, is more in line with the 78 percent seen for prerecession spells.

UI first. Having explored UI-only recipients' experiences under all macroeconomic conditions, we now turn our attention to the joint safety-net spells of those who receive UI first. Recall that recipients in this group receive UI exclusively in the first month but later receive SNAP as well during the same spell. We saw earlier (Table 10.3) that UI-first recipients had safety-net spells that were three to four times longer in duration than their UI-only counterparts. Indeed, UI-first recipients in the prerecession period received benefits for an average of 12.8 months, as compared to 3.6 months for similar UI-only spells. Figure 10.7 shows income flows for UI-first recipients among spells starting before the recession. Note that, despite the longer durations, the pattern generally resembles the income flow charts for the UI-only group, with the strong earnings dip that is reasonably well filled with unemployment compensation benefits. One clear difference is that SNAP benefits make a substantial contribution to income throughout the recovery period.

Table 10.5 lists measures of pre- and postspell earnings for those experiencing UI-first safety-net spells. The pattern generally follows that of UI-only recipients. UI-first recipients in the prerecession period averaged \$1,560 per month, and despite their longer spells, they had recovered 76 percent of the prior earnings a year and a half after their spells started.

Next, in Figure 10.8 we examine the income flows for UI-first recipients in spells starting during the recession. Again we see the familiar pattern of a large earnings dip, with earnings reaching a nadir several months after the spells began. As before, we also see higher

Figure 10.7 Income by Source, UI First, Precession



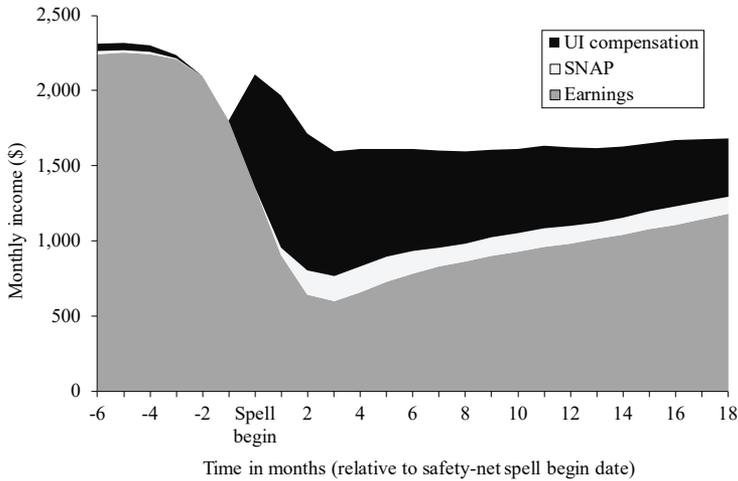
SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

average prior earnings, as compared to prerecession spells, again confirming that the recession brought higher earners into contact with the safety net. A major difference this time is the large and continuing contribution of UI compensation to income over time, which continues at a high level to the edge of the chart. At month 18, this is near the limit of UI benefit durations for one spell (see Figure 10.2), so it is

Table 10.5 Earnings Trends, UI-First Group

	Monthly earnings 4 to 6 months prior (\$)	Monthly earnings 16 to 18 months post (\$)	% of earnings regained
Prerecession	1,560	1,179	76
Recession	2,246	1,144	51
Jobless recovery	2,174	1,305	60

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

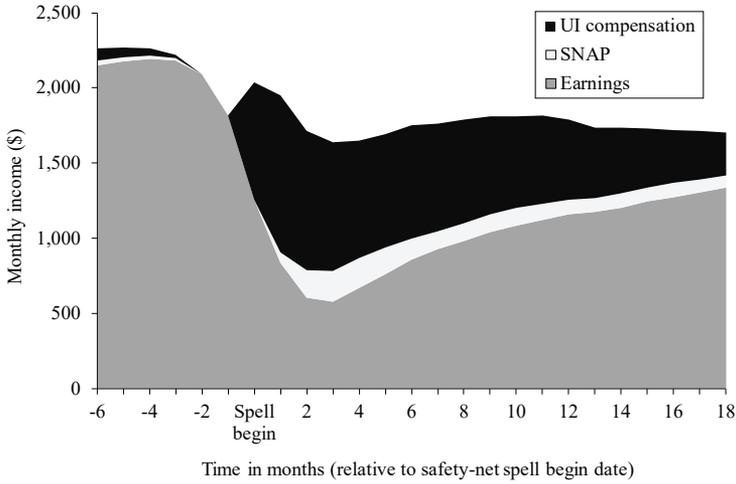
Figure 10.8 Income by Source, UI First, during Recession

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

likely that this high usage of UI benefits so long after the spells began reflects a combination of both long UI spells and recipients cycling back into UI from another job loss. Table 10.5 confirms that members of this group had regained only 51 percent of their prior earnings after one-and-a-half years.

Next, we examine those using UI first whose safety-net spells started during the jobless recovery. Recall that safety-net spells among those receiving UI first average nearly 13 months prior to the recession, over 17 months during the recession (Figure 10.8), and 14 months in the jobless recovery period. Thus, the UI-first recipients in Figure 10.9, whose spells started in the jobless recovery, continued to rely on the safety net for most of the follow-up period displayed. And again, the income-flow patterns strongly resembled those who received UI first during the recession, with UI compensation making a large and continuing contribution toward closing the income

Figure 10.9 Income by Source, UI First, Jobless Recovery



SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

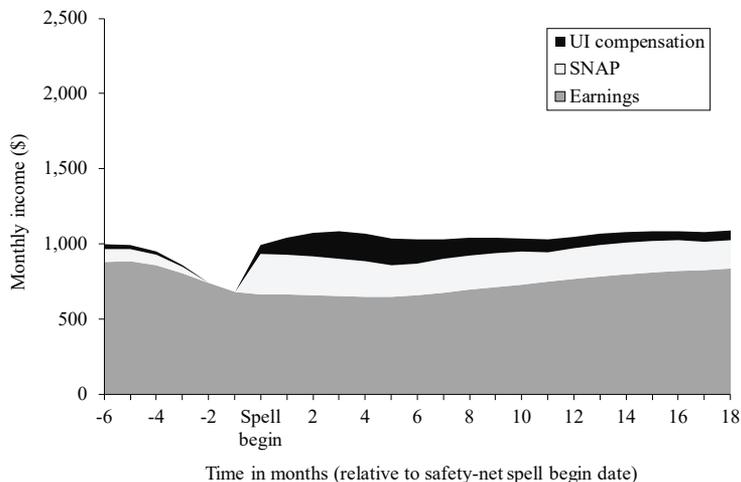
gap, even a year and a half after the spell started. Visual examination suggests that earnings recovery may have been swifter in the jobless recovery period, but ultimately those receiving UI first in the jobless recovery regained only 60 percent of their prior income levels.

SNAP first. Next, we turn our attention to the third joint safety-net participation pattern, SNAP first. Recall that this group consists of those receiving SNAP in the first month of their safety-net spell while also receiving UI benefits either in the first month or later in the spell. As noted earlier in Table 10.3, spell durations among those receiving SNAP first were the longest of all groups, and they took on a peculiar pattern. The longest spells among SNAP-first recipients, averaging over 27 months, occurred during the prerecession period, while SNAP-first spells during the recession were shorter at 24 months and jobless recovery spells were shortest at 17 months.

Figure 10.10 shows income flows for those receiving SNAP first whose safety-net spells began prior to the recession. Note first of all that all the income flow charts are scaled the same, so that differences in average income levels are readily apparent. One striking feature of Figure 10.10 is that prespell earnings were quite low, averaging under \$900 per month, well below any seen for those spell patterns starting with UI. The other striking feature is that the earnings dip was present but shallow and quite gradual in comparison to UI-only and UI-first spells, and the same was true for the recovery period. Recall that safety-net spells for this group averaged more than 27 months in duration, so most were still ongoing beyond the time covered by the chart.

Table 10.6 shows earnings trend statistics for those experiencing SNAP-first safety-net spells. Here we see that for the SNAP-first group utilizing the joint safety net prior to the recession, the combination of a gentle earnings dip and slow but steady earnings recovery

Figure 10.10 Income by Source, SNAP First, Prerecession



SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

Table 10.6 Earnings Trends, SNAP-First Group

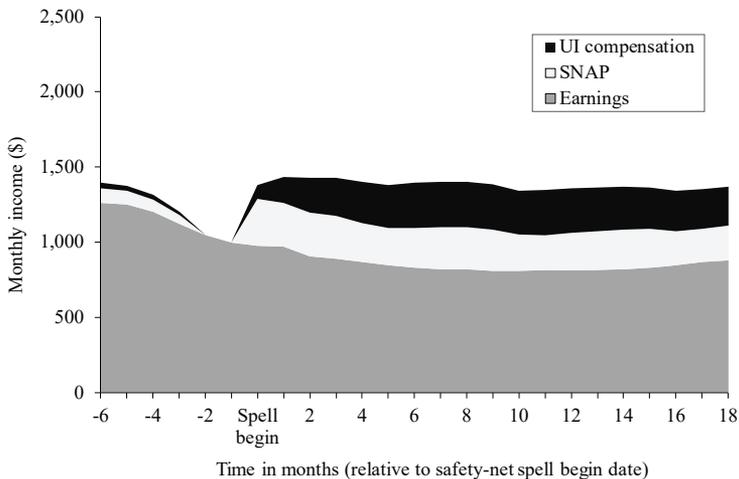
	Monthly earnings 4 to 6 months prior (\$)	Monthly earnings 16 to 18 months post (\$)	% of earnings regained
Precession	875	828	95
Recession	1,238	865	70
Jobless recovery	1,156	961	83

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

resulted in their regaining 95 percent of their prior earnings. This statistic would be more impressive if their earnings had not been so low to begin with. Altogether, this pattern suggests that prior to the recession, those receiving SNAP first tended to be working but poor, whose low earnings made them chronically eligible for SNAP assistance.

Figure 10.11 shows income flows for those receiving SNAP first whose safety-net spells started during the recession. The average

Figure 10.11 Income by Source, SNAP First, during Recession

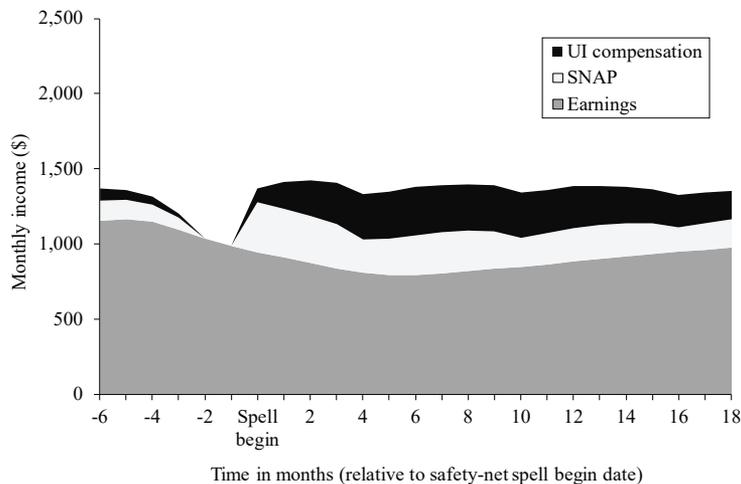


SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

safety-net spell for this group was over 24 months, so most spells persisted beyond the period covered by the chart. The fact that those receiving SNAP first during the recession had shorter spells (24 months) than those receiving SNAP first prior to the recession (27 months) is probably best explained by a shift in the composition of this group in the direction of more income. Indeed, prior earnings averaged over \$1,200 per month among those receiving SNAP first during the recession, 40 percent higher than their prerecession counterparts. Despite their higher prior earnings, the income flows suggest little or no income recovery over the safety-net spell, combined with a continuing high reliance on both SNAP and UI for replacing lost income.

Income flows for those receiving SNAP first in the jobless recovery period are illustrated in Figure 10.12. Continuing a theme from recipients of UI-only and UI-first spells, we find once again that

Figure 10.12 Income by Source, SNAP First, Jobless Recovery



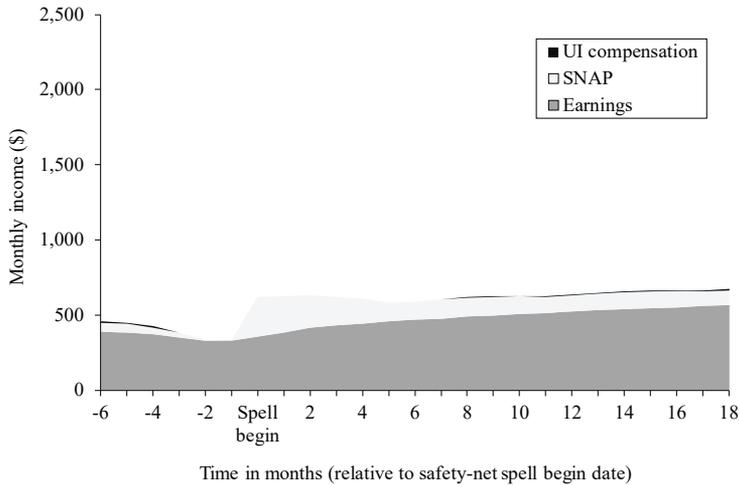
SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

income flows among SNAP-first recipients in the jobless recovery period are almost indistinguishable from recipients whose SNAP-first spells started during the recession. The jobless-recovery SNAP-first recipients did manage to end their spells sooner than other SNAP-first spells, averaging 17 months, but this was still at least as long as any other group we studied.

Overall, the differences we observed between those receiving UI first and those receiving SNAP first are quite dramatic for two groups whose members made use of the same benefits. Consider that the major difference between these two groups was timing. The UI-first group started with UI and for whatever reason delayed their use of SNAP benefits by a month or more. In contrast, those using SNAP first sought these benefits at least as early as they sought UI benefits, if not earlier. That we observe such major differences in their spell durations and eventual outcomes makes a strong argument for the classification system presented here and maintaining a distinction between SNAP first and UI first. Consider the alternative: one large group of those who combine SNAP and UI benefits, regardless of order, would be quite a heterogeneous group. Such a classification system would not offer much predictive value.

SNAP only. Finally, we consider the group of safety-net participants who made use of SNAP benefits exclusively during their spell, a group we refer to as *SNAP only*. While a small subset of this group may have had experience with UI benefits during the interval over which we followed them, they did not utilize UI during the spell on which we focus here. As noted in the discussion of Table 10.3, SNAP-only spells are considerably shorter than SNAP-first spells, but they follow a similar pattern, getting progressively shorter in duration from the prerecession (10.8 months) to the recession (10.0 months) to the jobless recovery period (8.7 months).

Figure 10.13 illustrates income flows among those using SNAP-only prior to the recession. In comparison to all the income flow charts seen thus far, the striking features here are very low earnings

Figure 10.13 Income by Source, SNAP Only, Prerecession

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

throughout the period, with little or no detectable earnings dip prior to the start of the safety-net spell. In fact, it is difficult to tell from these data what the precipitating event for the safety-net spell may have been. It is possible that some utilizing the SNAP-only safety net were employed in ways not observable to the UI system, such as uncovered industries or informal work arrangements. In any case, there was apparently little documentable income in this group.

Table 10.7 shows earnings statistics among those receiving SNAP only. Among those receiving SNAP only before the recession, prior earnings were so low (\$383 per month) that there was almost no way to go but up. Thus, they regained 146 percent of their earnings but still earned a paltry \$560 per month a year and a half later.

Next, we examine income flows among those using SNAP only with a spell starting during the recession. Figure 10.14 shows this group to have had slightly higher earnings, consistent with ear-

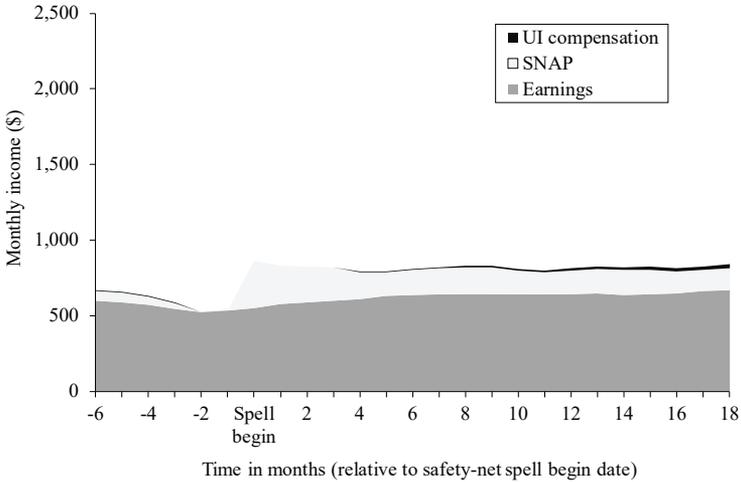
Table 10.7 Earnings Trends, SNAP-Only Group

	Monthly earnings 4 to 6 months prior (\$)	Monthly earnings 16 to 18 months post (\$)	% of earnings regained
Precession	383	560	146
Recession	585	659	113
Jobless recovery	507	718	142

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

lier findings showing those with higher historical earnings utilizing safety-net programs during the recession, but this effect was more muted among SNAP-only recipients. Arguably the effect in this group was limited because of the additional UI eligibility that accrued to those with higher earnings, which would tend to make them more likely to utilize benefits in the SNAP-first pattern instead.

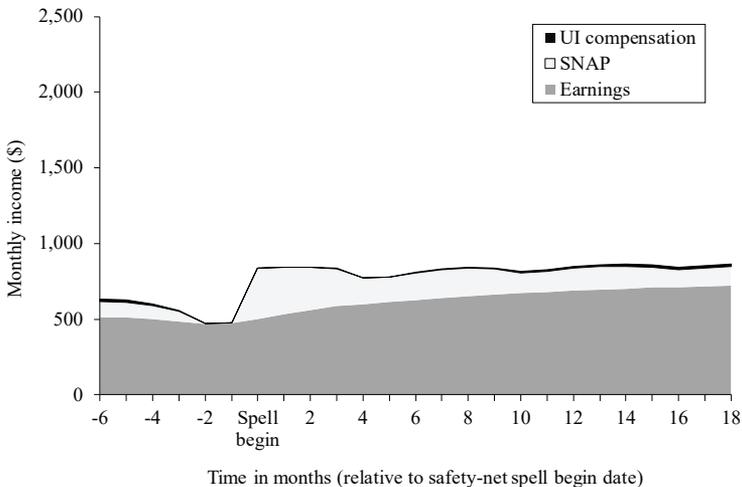
Figure 10.14 Income by Source, SNAP Only, during Recession



SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

Finally, looking at the income-flow patterns among SNAP-only participants in the jobless recovery period, shown in Figure 10.15, it becomes evident that the earnings and benefit histories of those using SNAP varied only a little with differing macroeconomic circumstances. Regardless of the period in which their safety-net spells started, they showed low prior earnings, very little evidence of earnings dips, but steady use of SNAP and steadily growing earnings to the point that all showed gains in earnings. It almost appears as if some members of the SNAP-only group were reflected at a low point in their economic lives, in which case their histories shown here might reveal little more than their earnings regressing toward the mean. For most, it likely reflected their low earning potential, which tended to make them eligible or near-eligible for SNAP, along with the occasional income shock like a job loss that precipitated a new spell.

Figure 10.15 Income by Source, SNAP Only, Jobless Recovery



SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

In this section, we have seen how patterns of joint UI and SNAP safety-net utilization can be characterized in one of four patterns that prove useful for organizing their outcomes. We have found, for example, that small differences in timing among groups who combine SNAP and UI benefits can presage large differences in later outcomes. Of course, we are not in a position to draw causal inferences from these differences, but the patterns observed here could lead to rigorous tests of potential interventions that could link these two safety-net programs more closely.

We also have seen how program participation patterns and outcomes for safety-net recipients during the period we refer to as jobless recovery more strongly resemble those of recipients during the Great Recession than those of the prerecession period. Despite the fact that the economy was technically regarded as having grown from late 2009 onward, some of the worst effects of the recession had yet to occur, including the peak SNAP caseloads in Texas, and arguably peak food insecurity as well. This pattern of findings provides confirmation that treating this period as distinct from the expansionary prerecession period should prove useful to future research. Many researchers, present authors included, in their prior study of program dynamics have aggregated postrecession spells together with prerecession spells on the assumption that the common factor among the two, a growing economy, made such aggregation logical. They may not have understood the heterogeneity of the resulting groups, nor the extent of the inflated error variance they invited into their models by failing to treat these groups separately. Whatever factors led to the jobless recovery, the first instance of which arguably appeared after the 2001 recession but on a smaller scale, it is clear that it is a different animal, the effects of which we may need new policy tools to address.

Next, we turn our attention to a policy question that, in part because of questionable policy choices made in the face of the Great Recession, Texas is uniquely positioned to answer: what was the experience of nonworking ABAWDs in areas that were exempt from time limits, as opposed to the vast majority of nonworking ABAWD

recipients who were subjected to strict time limits on their receipt of SNAP benefits?

A FOCUS ON ABAWDS IN TEXAS

ABAWDS and SNAP

Since 2008, the fastest-growing group in the national SNAP caseload has been able-bodied adults without dependents, or ABAWDS (Zedlewski, Waxman, and Gundersen 2012). The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) limits the receipt of SNAP benefits to three months in a three-year period for ABAWDS who are not working and are not participating in and complying with the requirements of a work or workfare program for 20 hours or more each week (USDA 2018c). But the provision neither required states to offer workfare programs or job training to people who were unable to find a job nor provided funds to states for that purpose. Most states do not offer these programs, in part because operating a work program with enough slots for everyone at risk of hitting the three-month time limit is regarded as too expensive (Bolen et al. 2015). As a result, what was initially labeled a “work requirement” has essentially become an austere time limit of three months of assistance for poor unemployed workers, many of whom want to work but cannot find a job (Rosenbaum 2013).

Most of those affected by the three-month limit are very poor, with average monthly income of approximately 19 percent of the poverty line (about \$2,200 per year for a household of one in 2014). Many have little or no income other than SNAP and qualify for no other benefits because they are not raising minor children. In most of the United States, SNAP is the only safety net available to unemployed childless adults with little recent work history. ABAWDS are more likely than other SNAP participants to lack basic job skills like

reading, writing, and basic mathematics (Bolen et al. 2015; Rosenbaum 2013).

ABAWDS and Time Limit Exemption Waivers

States have the authority to exempt individuals using a federal 15 percent exemption authorized by the Balanced Budget Act. The American Reinvestment and Recovery Act of 2009 (ARRA) suspended the ABAWD time limit nationwide beginning April 1, 2009, and continuing through FY 2010. States may also request a waiver of this provision for people in areas with an unemployment rate above 10 percent or for those in an area with insufficient jobs; many states qualified because of the Great Recession and its aftermath and waived the time limit statewide (USDA 2018c).

From April 2009 until September 2010, the three-month limit was temporarily suspended in most of the United States. In FY 2008, about 1.1 million able-bodied adults without dependents received SNAP benefits. In FY 2009, when the time limits were first suspended, the caseload for this group rose 60 percent to 1.7 million adults. The next year, the caseload shot up another 233 percent to 3.9 million adults (Zedlewski, Waxman, and Gundersen 2012).

All project states except Texas sought and received approval for statewide suspension for the fiscal years following the period authorized by ARRA. Texas chose to continue its policy of annually requesting waivers for a short list of counties meeting the high unemployment thresholds. We will discuss Texas's waiver policy in more detail in the analysis section, below.

To get a sense of the prevalence of ABAWDs, the share of SNAP cases that are ABAWDS was tabulated for the years 2002 through 2013 for all project states and for the country as a whole, using the SNAP Quality Control (QC) data assembled by Mathematica Policy Research.³ Despite the shortcomings of these data for state-level comparisons, a clear pattern emerges in comparing Texas to the other project states. The ABAWD share of the SNAP caseload increased

dramatically for most project states during the recession, but it stayed relatively steady in Texas at under 5 percent throughout the recession. In the United States as a whole, by comparison, over 15 percent of the SNAP caseload consisted of ABAWDs by 2013, nearly doubling the caseload share from 2008.

ABAWDS in Texas

Here we ask the question, “Why did Texas’s ABAWD caseload not show growth in line with other states in response to the Great Recession?” We will test the hypothesis that Texas’s peculiar implementation of its ABAWD waiver policy resulted in hardship for some recipients, who were cut off from benefits despite not finding suitable employment. If this proves to be a plausible account, the hardship they suffered could have been avoided, as Texas left significant federal money on the table by failing to apply for statewide ABAWD exemptions.

In order to answer these questions, we assembled data to allow us to study the Texas ABAWD population in detail. These data include the SNAP, UI earnings, and UI benefits administrative records data used throughout this chapter, as well as policy data collected for this purpose. Texas’s SNAP records readily identify ABAWDs who are or are not meeting work requirements on a monthly basis. And Texas files a SNAP Employment and Training state plan every year, setting out parameters of program operations, including a list of high-unemployment counties for which waivers to the ABAWD time limits are requested for the coming year.⁴ We located and utilized copies of state plans covering 12 years from federal fiscal years (FFY) 2003 through 2014. Note that the FFY 2015 state plan ended the practice of requesting ABAWD waivers for counties, so as of this writing there are no high-unemployment-county ABAWD exemptions in place in Texas.

Texas is composed of 254 counties. Ten counties were exempted from ABAWD time limits in FFY 2003, and 12 were exempted in

FFY 2014. Counties tend to cycle on and off the list, but typically half or more of the counties exempted in one year tend to be exempted the next. The number of exempted counties reached a maximum in FFY 2012 at 27, and a minimum in FFYs 2009 and 2010 at 4. The counties in which exempted ABAWDs reside tend not to be heavily populated. The unduplicated number of individual ABAWDs receiving SNAP in exempted counties reached a maximum in FFY 2005 at 17,954 and a minimum in FFY 2014 of 12.⁵ Approved waiver counties by fiscal year are listed in Appendix Table 10A.1.

The Texas SNAP Employment and Training state plans also contain a list of counties to be regarded as “minimum service” counties for the coming year. These counties tend to be sparsely populated, and thus different rules apply in them, including frequent use of the 15 percent exemptions, because training opportunities are not made available in the area. To eliminate this unnecessary added complexity, we removed from our analysis ABAWDs in counties regarded as minimum service, including a small number of counties that are both ABAWD exempt and minimum service. This leaves us with two groups of counties for each FFY, which we utilized in our statistical models:

- 1) *Waiver counties*, including ABAWD waiver counties but not minimum service counties, and
- 2) *Typical counties*, including all nonwaiver, nonminimum service counties

In composing an analysis of ABAWDs, we thought it would be helpful to select a comparison group to provide some context for the statistics. We selected, from the SNAP caseload in the same two groups of counties, adults who met the same age and nondisability criteria as ABAWDs, but who differed only in that they have dependents under the age of 18 in their households and on their SNAP cases. Note that there was no matching involved, and thus the comparison group is not intended to allow causal inferences of any kind. Instead, the group provides context in which to view ABAWDs’ outcomes.

ABAWD characteristics

In this section we present the characteristics of ABAWDs in Texas following the same methods we used in examining the characteristics of joint safety-net recipients earlier in this chapter (see Table 10.8). We excluded censored spells, and we restricted our examination to the last spell for each recipient during the study period. We found that the average age of ABAWDs in Texas during the study period was 33. The gender distribution was nearly even among ABAWDs, and the race distribution was also even among the three main groups (white, black, and Hispanic). A little less than half of ABAWDs had been employed from four to six months before the start of the spell, with very low average monthly earnings of \$483. About 40 percent of ABAWDs had experienced an earnings dip (of at least 20 percent) within the prior eight quarters.

Table 10.8 Characteristics of ABAWDs in Texas during the Study Period

Demographics	ABAWDs
Age (yrs.)	32.7
Male (%)	52.7
Female (%)	47.3
Black (%)	33.7
White (%)	30.9
Hispanic (%)	32.7
Other race (%)	2.8
Employment and earnings history	ABAWDs
Employed 4–6 months prior (%)	48.4
Monthly earnings 4–6 months prior (\$)	482.50
Experienced earnings dip of at least 20% within prior 8 quarters (%)	39.0
Delay between earnings dip and spell begin (in quarters)	4.6
Amount of earnings dip (in quarterly earnings) (\$)	2,472.70
Earnings dip as % of prior income	78.9

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

ABAWD SNAP spells

The obvious first question to ask regarding the SNAP receipt dynamics of ABAWDs, given that some are exempted from time limits and some are not, is how long their SNAP spells last. Note that we confined our analysis here to spells of SNAP receipt, without regard to any receipt of unemployment insurance benefits that might have occurred. Analysis of ABAWDs' joint SNAP/UI safety-net spells, as done earlier in this chapter for all SNAP or UI recipients, must be deferred for future work.

Table 10.9 shows SNAP spell durations for ABAWDs and adults with dependents whose spells started in either *waiver counties* or *typical counties*, as described above. First we note that adults with dependents have far longer spells than ABAWDs—more than three times longer in typical counties. Adults with dependents were found to have far higher six-month recidivism rates as well, indicating that their SNAP spells also are more frequent than those of ABAWDs. Next, we note that SNAP spells starting in waiver counties were longer than those in typical counties, as expected, because of the high unemployment and poor local economic conditions that earned these counties their spots on the waiver list.

Most interesting, perhaps, was the half-month difference in SNAP spell duration between ABAWDs in typical counties and ABAWDs in waiver counties. Anyone who understands the ABAWD waiver exemption policy might be forgiven for expecting something resembling the opening of a floodgate in the contrast between these two cells. Instead, they would see a mere one-half month of additional SNAP receipt among ABAWDs, who should, according to policy, be exempted from the time limits. Is it possible that the unmet financial needs of ABAWDs in these economically depressed counties were being quenched with an extra half-month of SNAP benefits? We shall see. Perhaps a better question is, how exactly are time-limit exemptions awarded in ABAWD waiver counties?

In the next two tables, we examine the extent to which the SNAP spells of ABAWDs and adults with children living in typical (Table

Table 10.9 Spell Durations, ABAWDs vs. Comparison, Typical vs. Waiver Counties

	ABAWDs		Adults with dependents	
	SNAP spell duration (mos.)	SNAP recidivism, 6-month (%)	SNAP spell duration (mos.)	SNAP recidivism, 6-month (%)
Typical county spells	3.2	11	10.9	34
Spells in waiver counties	3.7	14	13.4	31

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

10.10) and waiver (Table 10.11) counties responded to macroeconomic conditions. In a sense, this is another way of examining the interaction of SNAP spells with the economy. As spells beginning in waiver counties themselves represent locally depressed economies based on geographic distinctions, so the spells beginning under different macroeconomic conditions represent temporally depressed economies based on the time period in which the spells began.

Table 10.10 illustrates how the typical SNAP spells of ABAWDs, subjected to time limits (but free of the influence of the waiver policy), interact with the macro economy. The patterns shown here reveal that ABAWDs received SNAP for slightly longer during the recession (3.3 months) and jobless recovery (3.4 months) than during the prerecession period (3.0 months). By contrast, the spells of adults with dependents grew shorter with the worsening economy, similar to the pattern found earlier for SNAP-first spells, and likely reflecting similar factors.

Table 10.11, on the other hand, shows SNAP spells starting within waiver counties, and thus nominally free of the time-limit policy, and how they interacted with the macro economy. ABAWD SNAP spells starting in waiver counties also were found to grow longer in response to the recession and jobless recovery, but not as long as one might expect if the time limit were truly being relaxed for these recipients.

So if the ABAWDs' SNAP spell durations did not increase much in response to waiver policy, nor were very responsive to bad eco-

Table 10.10 Typical County Spell Durations, ABAWDs vs Comparison, Varying Economic Conditions

	ABAWDs		Adults with dependents	
	SNAP spell duration (mos.)	SNAP recidivism, 6-month (%)	SNAP spell duration (mos.)	SNAP recidivism, 6-month (%)
Typical prerecession spells	3.0	9	12.1	31
Typical recession spells	3.3	10	11.3	37
Typical jobless recovery spells	3.4	14	9.4	37

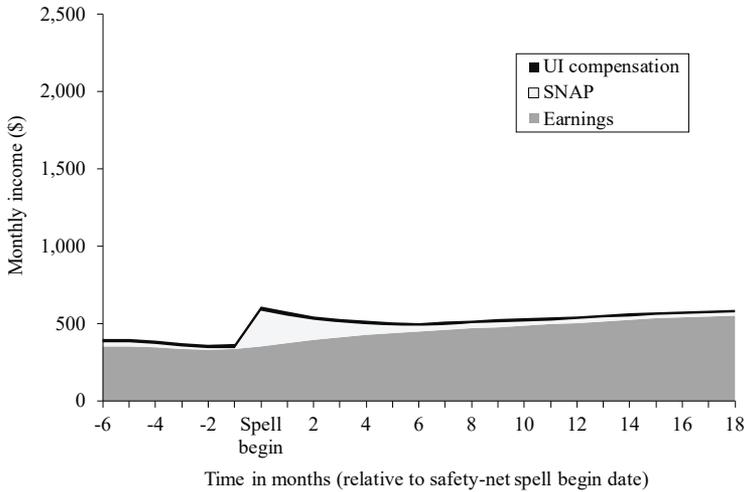
SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

conomic conditions, is it possible that their incomes were buffered in other ways? Figure 10.16 illustrates known income flows for ABAWD SNAP spells in waiver counties. The pattern looks remarkably like those seen for SNAP-only participants earlier, with persistently low earnings, little perceptible earnings dip, and slowly growing earnings moving forward, except in this case, with little in the way of benefits to fill gaps between their income and expenses. As noted earlier, mean SNAP spell duration for this group was 3.7 months, and—not coinci-

Table 10.11 Waiver County Spell Durations, ABAWDs vs. Comparison, Varying Economic Conditions

	ABAWDs		Adults with dependents	
	SNAP spell duration (mos.)	SNAP recidivism, 6-month (%)	SNAP spell duration (mos.)	SNAP recidivism, 6-month (%)
Waiver prerecession spells	3.6	14	13.9	31
Waiver recession spells	5.0	13	12.9	32
Waiver jobless recovery spells	4.0	13	9.7	32

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

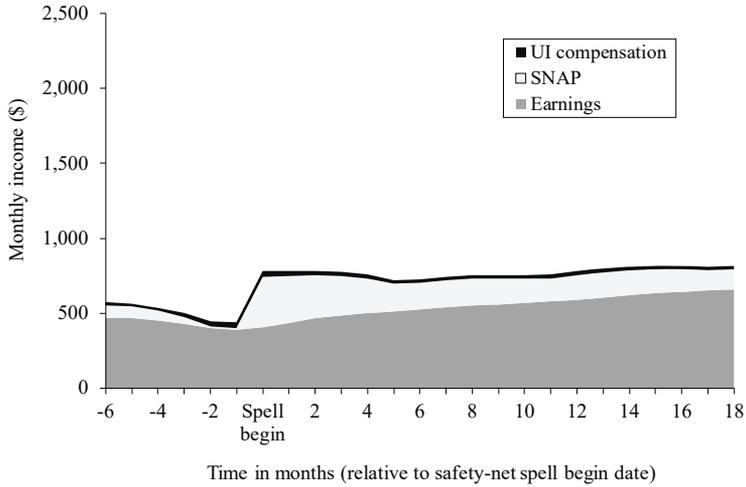
Figure 10.16 Income by Source, ABAWDs in Waiver Counties

SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

dentally—the point of highest cash flow on this chart was in the first few months after spells began. If these ABAWDs in waiver counties had other sources of income that would improve this dire situation, they were not visible to us.

Figure 10.17 shows income flows for adults with dependents starting SNAP spells in the same economically depressed waiver counties. Recall from Table 10.9 that this group's SNAP spells averaged 13.4 months in waiver counties, nearly 10 months longer than those of ABAWDs in these counties. Thus, it should not be surprising that their income flows as represented in these charts have a nice healthy layer of SNAP benefits in the middle (the light gray area in the figure) spanning almost the entire period. Underneath is an unimpressive earnings layer (dark gray) that looks remarkably like the earnings layer for ABAWDs in the same counties (Figure 10.16). The primary difference between Figure 10.16 and Figure 10.17, in fact, is that one group received SNAP benefits according to its level of need,

Figure 10.17 Income by Source, Adults with Dependents in Waiver Counties



SOURCE: Ray Marshall Center for the Study of Human Resources analysis of Texas SNAP and UI benefits and earnings administrative records data.

and the other received benefits for a few months at most, then these benefits ceased, regardless of continuing need.

We could insert many more income flow charts here: we have countless charts that allowed us to compare the SNAP spells of ABAWDs and adults with dependents under varying conditions. But none of them tell a different story from what we see above: two groups had similar earnings histories. One was determined to be eligible to receive continuing food assistance to meet the need, and the other was not.

On paper, the Texas ABAWD time-limit exemption waiver policy was supposed to allow some flexibility for leniency in dealing with ABAWDs living in areas without sufficient job opportunities. Though we have not seen extensive policy guidance on this, the spell duration data indicate that the manner in which the policy was implemented resulted in very little leniency in practice. SNAP

benefits for ABAWDs appeared to run out well before the need was extinguished. It was not even necessary for Texas to be so restrictive with ABAWDs, as the statewide exemptions were there for the taking starting in 2009. It is difficult to imagine a universe in which it is good policy, in the face of the worst recession in decades, to turn away free money for the state's neediest citizens, who were actually the most likely to recycle it directly back into the economy.

CONCLUDING COMMENTS

In this chapter, we have demonstrated how spells of joint UI and SNAP safety-net utilization can be characterized in one of four patterns. We further show that these patterns prove useful for understanding and predicting outcomes for those utilizing one or both of these safety-net programs. Importantly, we find that small differences in timing among groups who combine SNAP and UI benefits can presage large differences in later outcomes. The pattern of results here strongly suggests that programs or policies should be designed to link these two safety-net programs more closely. Considering this along with the finding that recipients tend to combine the two programs more under recessionary conditions suggests a clear hypothesis for the next study: that safety-net recipients may recover prior earnings levels faster when receiving timely benefits from both programs upon experiencing job loss or other economic stress. Interventions should be designed to link the programs more closely, and such programs should be subjected to rigorous tests to determine whether recipients get back to work and recover a substantial share or their prior earnings levels sooner.

In studying the interaction of the joint safety net with macroeconomic conditions, we found that even though the economy was officially determined to be recovering, safety-net utilization patterns and outcomes during the period we refer to as the jobless recovery were in many ways more similar to the recession than to the prerecession

period. The economy was officially growing again as of late 2009, yet some of the worst effects of the recession had yet to occur, including the peak SNAP caseloads in Texas and, arguably, peak food insecurity as well. This pattern of findings provides confirmation that treating this jobless recovery period as distinct from other expansionary periods, including prerecession periods, should prove useful to future research. Whatever factors led to the jobless recovery, a lighter version of which appeared after the 2001 recession, it is clear that new policy tools are needed to address its effects on those who may be left behind by the eventual recovery. This task of developing new tools is urgent, as the next recession will inevitably come, and the eventual recovery that follows may be as jobless as the last.

Because of questionable policy choices made in the face of the Great Recession, Texas data reveal what happens to able-bodied adults without dependents (ABAWDs) when they receive little protection from strict time limits on their receipt of SNAP benefits. In comparison to other project states or the United States as a whole, while ABAWDs' share of the nationwide SNAP caseload swelled dramatically, Texas's ABAWD caseload share remained low, at well under 5 percent. We found that Texas did not actually have fewer ABAWDs than other states; rather, the very short durations of SNAP receipt in that state caused Texas to be underrepresented in the caseload count at any given point in time. As a result of this peculiar implementation of its ABAWD waiver policy, Texas likely worsened hardship for some recipients, who were cut off from benefits despite their inability to find suitable employment. Worse, the hardship they suffered seems to have been unnecessary, as Texas left significant federal money on the table by failing to apply for statewide ABAWD exemptions at any point during the recession. We are aware of no other state that so thoroughly bypassed this opportunity to provide for its lowest-income citizens during the worst recession in modern history.

Notes

1. Because earlier temporary emergency UI programs had also gone by the name Emergency Unemployment Compensation, the program lasting from 2008 to 2013 is frequently called EUCO8.
2. Although we defined the jobless recovery period to extend over a longer interval, we exclude spells starting after April 2012 from our analysis so that we have at least 24 months of follow-up for all spells.
3. The Mathematica Policy Research QC documentation cautions against use of Maryland QC data for state-level tabulations.
4. See, for example, the State of Texas's *SNAP Employment and Training Plan: Federal Fiscal Year 2018* (Texas Workforce Commission 2018).
5. Yes, this number is correct: 12 ABAWDs residing in 1 of 12 counties received SNAP at some point in FFY 2014. Note that we are unable to count ABAWDs who were not receiving SNAP. ABAWDs in the SNAP population may be severely undercounted by caseload statistics because of strict application of time limits.

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Appendix 10A

Table 10A.1 Approved Waiver Counties by Fiscal Year

Federal fiscal year	Approved waiver counties
FFY2003	Dimmit, Hidalgo, Loving, Matagorda, Maverick, Newton, Presidio, Starr, Willacy, Zavala
FFY2004	Hidalgo, Jasper, Matagorda, Maverick, Newton, Presidio, Red River, Starr, Willacy, Zavala
FFY2005	Cameron, Cochran, Dimmit, Hidalgo, Jasper, Liberty, Matagorda, Maverick, Newton, Orange, Presidio, Reeves, Sabine, Somervell, Starr, Willacy, Zavala
FFY2006	Dimmit, Hidalgo, Jasper, Liberty, Matagorda, Maverick, Newton, Orange, Presidio, Sabine, Starr, Willacy, Zavala
FFY2007	Dimmit, Hidalgo, Jasper, Liberty, Matagorda, Maverick, Newton, Orange, Presidio, Sabine, Starr, Willacy, Zavala
FFY2008	Loving, Presidio, Maverick, Starr, Zavala
FFY2009	Loving, Maverick, Starr, Zavala
FFY2010	Maverick, Presidio, Starr, Zavala
FFY2011	Cameron, Cass, Dimmit, Duval, Hidalgo, Jasper, Liberty, Marion, Matagorda, Maverick, Milam, Morris, Newton, Orange, Presidio, Reeves, Sabine, San Augustine, Starr, Willacy, Zapata, Zavala
FFY2012	Cameron, Cass, Dickens, Duval, Hidalgo, Jasper, Jefferson, Liberty, Marion, Matagorda, Maverick, Milam, Morris, Newton, Orange, Presidio, Red River, Reeves, Sabine, San Augustine, San Jacinto, San Patricio, Starr, Tyler, Willacy, Zapata, Zavala
FFY2013	Cameron, Cass, Dickens, El Paso, Hidalgo, Houston, Jasper, Jefferson, Liberty, Matagorda, Maverick, Morris, Newton, Orange, Presidio, Red River, Reeves, Sabine, San Augustine, Starr, Tyler, Willacy, Zavala
FFY2014	Cameron, Hidalgo, Jefferson, Maverick, Newton, Presidio, Red River, Sabine, San Augustine, Starr, Willacy, Zavala

SOURCE: RMC analysis of state of Texas SNAP Employment and Training Plan, Federal Fiscal Years 2003 through 2014.

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Christopher J. O’Leary
David Stevens
Stephen A. Wandner
Michael Wiseman
Editors

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W.E. Upjohn Institute for Employment Research
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