Dear Rep. Meade,

KEJC and our allies work every day to ensure all Kentuckians have the medical care, food, housing, and economic opportunity they need to survive and thrive in our Commonwealth.

As you know, we are concerned that House Bill 1 would reduce low income Kentuckians’ ability to feed their families, provide for their children, improve their economic prospects, and get the medical care they need to survive and thrive. Thank you for meeting with advocates from Kentucky Equal Justice Center and our allied organizations on February 2 about House Bill 1.

Many of the proposals in HB 1 appear to be based on the belief that fraud in public assistance programs is widespread in Kentucky.

In fact, the data on public benefits programs show that the existing safeguards of state agencies and the federal government have reduced fraud to very low levels. Dr. James Ziliak, the Director of the University of Kentucky’s Center for Poverty Research, provided testimony to the Public Assistance Reform Task Force that indicated that the instance of fraudulent SNAP transactions was about 1%. You co-chaired the Public Assistance Reform Task Force and, though the Public Assistance Reform Task Force also heard testimony from The Pegasus Institute and the American Enterprise Institute over the months-long work of the task force, no one testified that fraud in SNAP (or any public assistance program) was 30-40%.

That’s why I was surprised to hear you testify today at the House Committee for Health and Family Services that studies show 30-40% fraud in SNAP.

USDA says on its website that “[of]ver 99 percent of those receiving SNAP benefits are eligible and payment accuracy was 96.20 percent in 2011—a historic high.” A fraud rate of 30-40%
would mean that SNAP fraud is about 40 times more prevalent than the USDA—the agency charged with administering and overseeing SNAP—believes.¹

Please share with us the data and studies that support your claim that the fraud rate is 30-40% in SNAP.²

We know you are committed to passing legislation based only on the best data and evidence. Legislation based on bad data, anecdote, belief, or prejudice doesn’t help anyone. We would like to see and evaluate the studies you cited today for ourselves; and—I’m sure you agree—the people who will be affected by the changes proposed in House Bill 1 have a right to examine the data on which their representatives are relying to craft proposals like House Bill 1.

Sincerely,

Ben Carter
Senior Litigation and Advocacy Counsel
Kentucky Equal Justice Center

¹ Indeed, even the American Enterprise Institute’s testimony indicated that the payment error rate in Kentucky was only 7.1% in SNAP. (It’s worth noting that the payment error rate does not “equal” the fraud rate: there are many reasons why the state may make payment errors that are not based on participant’s “fraud”. Indeed, 10% of the agency errors resulted in a person receiving less money to feed their family than they should have.)

² I invite you to provide me with any data that indicate fraud rates in SNAP or any public assistance program are anywhere close to 30-40%.