Colorado’s Section 20 Workfare Program

Colorado Department of Human Services (CDHS)

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SNAP and SNAP E&T in Colorado

FFY 2013
- State Population 5,187,582
- SNAP recipients statewide 506,889
- Mandatory work registrants 93,407 (17% of total recipients)
- Number of active SNAP E&T participants: 24,359

SNAP E&T
- Operating continuously since 1983
- Called “Employment First” in Colorado
- State Supervised and County administered
- Currently in 27 out of 64 counties including 10 most populous
Section 20 Workfare
§273.22, Title 7 Federal Regulations

“The primary goal of workfare is to improve employability and enable individuals to move into regular employment.”
Background

- 1992 - Colorado started Section 20 Workfare as a pilot in 1 county
- 1998 - Expanded to 7 counties
- 2002 - Mandatory for all counties with SNAP E&T (43 counties)
- 2013 – SNAP E&T with Section 20 Workfare in 27 counties

Funding

- Colorado SNAP E&T Program expended $7.8 million in 2013
- $2 million of that total was for Section 20 Workfare
- Colorado averages $1.5 million annually in enhanced funding
Section 20 Workfare Data – FFY 2013

• 30% of the 93,407 SNAP E&T population participated in Section 20 Workfare
• 878,902 total hours worked at worksites
• 4,850 jobs reported
• $9.33 average wage
• $1,767,237 earned in enhanced funding
• 4,295 sanctions imposed
Section 20 Workfare

- Independent of the SNAP E&T program
- Separate Workfare State Plan submitted to FNS
- Can include TANF and UI recipients as mandatory participants
- Operated only by public or private nonprofit entity (e.g. county office, Department of Labor, Goodwill Industries)
Section 20 Workfare (cont.)

- Involves tracking jobs and changes in allotment
- Specific requirements for documentation and record keeping
- FNS reimburses only 50 percent of agency’s administrative costs (100% federal funds cannot be used for this purpose)
- Earns Enhanced Funding
What is Enhanced Funding?

- The share of the benefit reduction is three times the difference divided by two

Formula: $1.5 \times \text{reduction or elimination of food assistance}$

Example:
$200 \text{ reduction} \times 1.5 = 300 \text{ enhanced funding}$
Joining E & T and Section 20 Workfare Together

- Each serves the SNAP population
- Each has a goal of Employment
- Both support voluntary work as a strategy
- Both are FNS monitored through State Plans
- State and Counties front costs to build and maintain the program’s infrastructure
- Enhanced funding is an incentive to continue to invest in program operation
Starting a Section 20 Workfare Program

- Worksites and required forms developed
- Participants placed on worksites
- Initial SNAP allotments recorded
- Participation monitored monthly
- When participant leaves Workfare, job info is recorded if start date within 30 days
- SNAP benefits monitored to capture reduction
- Enhanced Funding up to six months later
Required Workfare hours per month

\[
\text{Entire household allotment} = \text{required State minimum wage} \div \text{hours}
\]

Example:
\[
\frac{200}{8.00^*} = 25 \text{ hours each month} \\
\frac{367}{8.00^*} = 46 \text{ hours each month}
\]

*Note: Colorado’s minimum wage is $8.00. The denominator must either be the federal minimum wage of $7.25 or the state’s minimum wage, whichever is the higher of the two.
Benefits for Participants

- Employment networking opportunities
- Gain experience, enhance current skills
- Current employer reference
- Involves individual in the community
- Employers prefer to hire those already working
- Work experience can make up for a lack of education
Agency Benefits

- Individuals in frequent contact with SNAP E&T are more likely to report changes affecting their SNAP case, including employment.

- Enhanced funding provides an incentive to operate an effective Workfare Program.

- Section 20 Workfare is an efficient way to serve high numbers of individuals.
Community Benefits

- Individuals contribute to community services in exchange for the benefits they receive.

- Public and private nonprofit agencies benefit through numerous hours of volunteer time.

- Individuals on assistance move to employment more quickly.
Questions?

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