

Supplemental Nutrition Assistance Program (SNAP): Vehicle Value Limits



A Resource for Improving Measurable Impact
May 18, 2021

SNAP is a federal program that provides nutrition benefits to supplement the food budget of low-income families so they can purchase healthy food and move towards self-sufficiency.¹

Background:

- In Texas, approximately 79% of Supplemental Nutrition Assistance Program (SNAP) recipients live in households with children,¹ and more than 27% live in households with seniors or people with disabilities.²
- Currently more than 3.4 million Texans use SNAP,³ representing 1.6 million households.
- More than half of all SNAP recipients in Texas live in families in which at least one member works full time.^{2,3}
- While each state determines the eligibility requirements for its residents, the federal government provides 100% of SNAP funding. Administrative program costs are split equally between the federal government and the state.²
- SNAP has been shown to reduce poverty and food insecurity. This reduction has led to improved health and economic outcomes, especially for children who receive SNAP.^{4,5}

Eligibility in Texas

- Eligibility rules for SNAP are income-based and asset-based:³ An applicant's gross household income may not exceed 165% of the Federal poverty line.⁸ There are also [strict work requirements for SNAP eligibility](#).
- Texas has two forms of resource limits (1) applicants' liquid resources and (2) value of any vehicles owned by the individual.⁸
- The vehicle asset limits were set in 1973 (\$4,650) and 2001 (\$15,000), respectively, and have not been increased since then. The limits do not take into account the equity that the applicant has in the vehicle, only the fair market value (FMV) of the vehicle.

Family size	Monthly gross income amount allowed*	Asset value limit	
1	\$1,718	Liquid resources (cash, money in bank accounts, savings certificates, stocks or bonds).	\$5,000
2	\$2,326	First vehicle	\$15,000 FMV**
3	\$2,933	All other vehicles, total value	\$4,650 FMV**
4	\$3,541		
5	\$4,149		
For each person, add:	\$608		

* 15% increase in these amounts through June 2021 pursuant to The Consolidated Appropriations Act, 2021, signed into law on December 27, 2020.

**Excess vehicle value counts toward the liquid resources limit



Key Texas Findings on SNAP Eligibility:

- Texas is one of four states that does not exempt the value of at least one vehicle in determining SNAP eligibility.^{9,10} Thirty-seven states exclude the value of all vehicles owned by the applicant.¹⁰
- Vehicle asset limits prevent many otherwise eligible applicants from qualifying for SNAP benefits.¹¹
- The vehicle asset limit increases the workload of state employees who determine SNAP eligibility because they must collect vehicle ownership information from each applicant and research the FMV of each vehicle.
 - This increased workload leads to increased administrative expenses of the program, the costs of which are borne by the state.¹¹
- Due to a lack of wide-spread public transportation in Texas, most people in Texas require a reliable vehicle to get to work. Texas ranks 15th in terms of states with longest commutes to work (over 26 minutes).¹²

Recommendations:

1. Increase the limit on vehicle value so that working households can have reliable transportation without losing their SNAP eligibility.
2. Support changes to eligibility guidelines that would increase the number of families eligible for SNAP's 100% federally funded benefits.

Summary:

- SNAP is a proven program to combat food insecurity and poverty, and improve child outcomes.
- Asset limits, especially vehicle value limits, create a significant barrier for otherwise eligible families, and two-parent households are disproportionately affected by the vehicle asset test.
- The expansion of SNAP would benefit many vulnerable Texans, reduce poverty and food insecurity, and improve the economic and health outcomes of children who receive SNAP benefits.
- Finally, by leveraging SNAP benefits through innovative programs, Texas policymakers can stretch the benefit of the federal funding for SNAP, further benefitting low-income Texans.

Other TX RPC Resources Related to SNAP and Food Security:

1. [SNAP Utilization and Eligibility in Texas and Texas Legislative Districts](#) (October 2020)
2. [Impact of COVID-19 on Food Insecurity](#) (April 2021)
3. [Data Brief: Food Insecurity in Texas and Texas Legislative Districts](#) (January 2021)
4. [Supplemental Nutrition Assistance Program \(SNAP\): Work Requirements](#) (May 2021)

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