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Building on Success:

Congress should expand work requirements in food stamps

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Executive summary

For years, millions of able-bodied adults have been trapped in welfare dependency with little hope of a better life.¹ Enrollment and spending have skyrocketed to historic levels recently, leaving fewer resources for individuals who have true need.

Thankfully, states have begun reversing Obama-era policies, reinstating work requirements, and moving younger able-bodied adults out of welfare and back into the workforce. But one group has been tragically left behind: middle-age able-bodied adults.²

This group—able-bodied, childless adults between the ages 50 to 64—are currently exempt from food stamp work requirements, despite the fact that they have no dependent children or disabilities that keep them from seeking gainful employment. But without work requirements, they are left to languish in welfare indefinitely.

This is a devastating reality for millions of individuals. Trapped in welfare, without work, they are significantly more likely to be stuck in a life of poverty and despair. Conversely, just one out of every 100 middle-age full-time workers is below the poverty line.

To finish the great work that states have already begun, Congress should expand existing work requirements to middle-age able-bodied adults. In so doing, they will lift millions of Americans out of welfare, save taxpayers billions annually, and free up resources for individuals who truly need help.

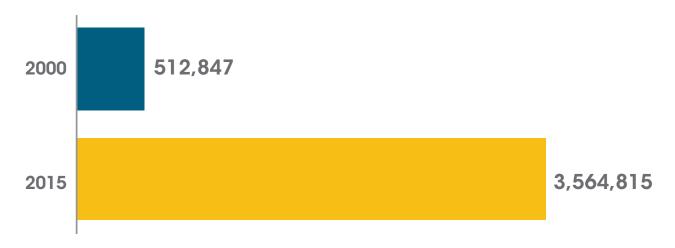
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The problem

The number of middle-age able-bodied adults on food stamps has skyrocketed in recent years. Today, nearly 3.6 million able-bodied, childless adults between the ages of 50 and 64 are on the program—nearly seven times as many able-bodied adults as in 2000.³ This enrollment surge now costs taxpayers more than \$6 billion per year.⁴

MIDDLE-AGE ABLE-BODIED ADULTS ON FOOD STAMPS HITS RECORD HIGH

Number of non-disabled, childless adults aged 50-64 enrolled in food stamps, by fiscal year



Source: U.S. Department of Agriculture

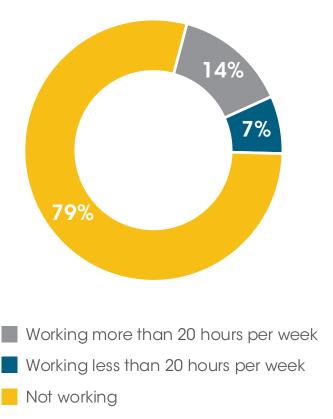
One key reason for this skyrocketing growth is the lack of commonsense work requirements. Federal law requires able-bodied, childless adults to work, train, or volunteer for at least 20 hours per week.⁵⁻⁸ But current law exempts all able-bodied adults over the age of 50 from this requirement, even when they have not reached retirement age.⁹⁻¹² The average age of these adults is just 57 years old.¹³

Individuals under the age of 60 are already subject to work registration and must participate in employment and training programs if assigned by states. Unfortunately, few states ever assign these able-bodied adults to such programs, rendering them virtually meaningless. Of the 2.5 million middle-age able-bodied adults potentially subject to work registration rules, fewer than 360,000 participate in any kind of employment or training program. 14-15

With no real work requirement or time limit, few middle-age able-bodied adults on food stamps actually work. According to the most recent data from the U.S. Department of Agriculture, nearly 80 percent of middle-age able-bodied, childless adults do not work at all, while just 14 percent are working more than 20 hours per week.¹⁶

MOST MIDDLE-AGE ABLE-BODIED ADULTS ON FOOD STAMPS DO NOT WORK AT ALL

Work status of non-disabled, childless adults aged 50-64 on food stamps in fiscal year 2015



Source: U.S. Department of Agriculture

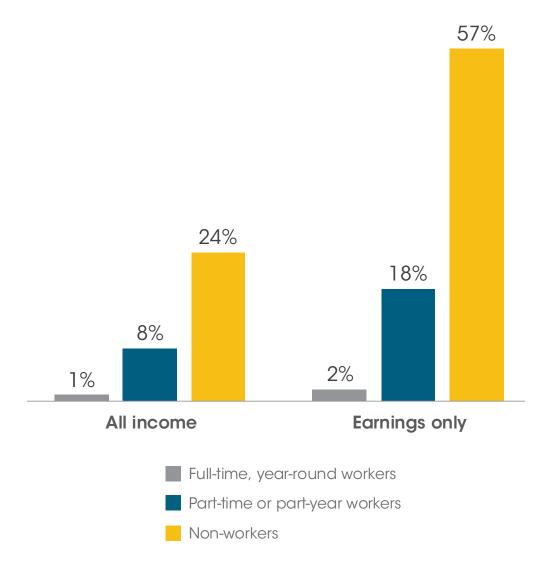
This lack of work is alarming in an era of near record-low unemployment.¹⁷ With more than six million open jobs across the country, employers are desperate for workers.¹⁸ In fact, there are more job openings today than at any point since the U.S. Department of Labor began tracking them.¹⁹

But this dramatically low work rate is even more concerning because work is so critical to self-sufficiency. In fact, just one percent of middle-age able-bodied adults who work full-time, year-round jobs are in poverty.²⁰ Conversely, nearly one in four able-bodied adults are in poverty if they do not work at all.²¹

When analyzing earnings only—excluding supplemental income such as cash assistance welfare—the differences become even starker: 57 percent of these adults who do not work are in poverty.²²

WORKING FULL-TIME RAISES MOST MIDDLE-AGE ABLE-BODIED ADULTS OUT OF POVERTY

Poverty rates of non-disabled adults aged 50-64, by work status



Source: Census Bureau

Not surprisingly, nearly three-quarters of all middle-age able-bodied adults in poverty do not work, while most of the remainder work only part-time or for part of the year.²³

Getting middle-age able-bodied adults back into the labor force as quickly as possible is critical to returning them to a path of self-sufficiency. Research shows that re-entering the workforce becomes harder for able-bodied adults the longer they spend on welfare and the longer they spend not working. Longer periods of worklessness also contribute to deteriorating health, especially among middle age workers. This is particularly concerning, given the fact that many of these unemployed able-bodied adults may apply for disability programs, trapping them in a lifetime of dependency and increasing costs to taxpayers. 34-37

The solution: work

Work requirements are a proven, highly effective way to not only reduce caseloads but also increase incomes. After Kansas implemented work requirements for able-bodied, childless adults on food stamps, caseloads dropped by 75 percent and the average amount of time spent on welfare was cut in half.³⁸ Individuals who left welfare went back to work in more than 600 different industries and saw their incomes skyrocket, more than doubling on average.³⁹ Even better, this increased income more than offset their lost welfare benefits.⁴⁰

When Maine implemented the same work requirements, it saw similar impressive results: incomes of former enrollees more than doubled and caseloads declined by 90 percent.⁴¹

States have seen the same outcomes after work requirements were implemented for ablebodied parents on other welfare programs. In Kansas, for example, stronger work requirement sanctions were followed by lower caseloads, more employment, and higher incomes.⁴²

The research is clear: work requirements reduce dependency and improve the lives of millions of individuals who are currently trapped in welfare.

States can help address this problem by assigning more individuals mandatory job training if they are not already working. The Trump administration can also encourage more states to take these steps. But ultimately, it will take an act of Congress to create real work requirements for all able-bodied, childless adults on food stamps.

The impact

Based on the experiences from other populations and other programs, expanding work requirements to middle-age able-bodied adults would likely lead to less dependency, more employment, higher incomes, and greater economic growth. These changes could move as many as three million able-bodied adults out of welfare dependency and put them back on the path to a better life.⁴³

As a result, federal taxpayers could save up to \$5 billion per year from reduced food stamp spending, plus additional state and federal Medicaid savings for those whose incomes rise above current eligibility limits.⁴⁴ Rather than spending this money on welfare for able-bodied adults, policymakers would preserve these resources for the truly needy, including seniors, poor children, and individuals with disabilities.

Wages for those removed from the program could also grow by up to \$8 billion to \$9 billion per year following this policy change, even without accounting for any downstream effects of greater economic growth.⁴⁵ Those higher wages would generate not only additional payroll and income tax revenues for the federal government, but additional tax revenue for state and local governments as well.⁴⁶

Middle-age able-bodied adults have been exempt from commonsense work requirements for far too long. Not only has this crowded out resources for the truly needy, but it has left millions of adults to languish on welfare, robbing them of the hope of better lives. Congress now has the opportunity to move millions of able-bodied adults from welfare to work. It should take it.

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APPENDIX

TABLE 1. NEARLY 3.6 MILLION MIDDLE-AGE ABLE-BODIED ADULTS ARE DEPENDENT ON FOOD STAMPS

Number of non-disabled, childless adults aged 50-64 enrolled in food stamps and annual spending on such adults in fiscal year 2015

	ENROLLMENT	ANNUAL SPENDING
Alabama	54,900	\$84,300,000
Alaska	5,700	\$13,900,000
Arizona	76,800	\$124,100,000
Arkansas	29,200	\$44,900,000
California	392,100	\$770,000,000
Colorado	34,200	\$59,700,000
Connecticut	41,300	\$80,100,000
Delaware	14,000	\$23,800,000
District of Columbia	16,100	\$29,300,000
Florida	348,800	\$627,900,000
Georgia	130,300	\$218,200,000
Hawaii	17,900	\$55,300,000
Idaho	9,700	\$14,300,000
Illinois	163,300	\$298,100,000
Indiana	48,500	\$81,800,000
lowa	28,300	\$41,800,000
Kansas	17,100	\$28,900,000
Kentucky	79,700	\$131,200,000
Louisiana	49,800	\$89,300,000
Maine	16,400	\$26,600,000
Maryland	60,500	\$103,800,000
Massachusetts	62,100	\$102,400,000
Michigan	126,100	\$221,400,000
Minnesota	32,500	\$47,400,000
Mississippi	45,300	\$73,100,000
Missouri	78,900	\$131,800,000

	ENROLLMENT	ANNUAL SPENDING
Montana	7,300	\$11,600,000
Nebraska	10,400	\$16,800,000
Nevada	38,200	\$62,800,000
New Hampshire	7,000	\$10,200,000
New Jersey	64,100	\$95,100,000
New Mexico	34,200	\$56,900,000
New York	270,600	\$529,000,000
North Carolina	128,000	\$194,100,000
North Dakota	2,900	\$4,400,000
Ohio	122,300	\$182,200,000
Oklahoma	49,600	\$85,300,000
Oregon	76,000	\$123,200,000
Pennsylvania	147,600	\$227,800,000
Rhode Island	17,600	\$31,900,000
South Carolina	70,000	\$117,500,000
South Dakota	4,400	\$7,800,000
Tennessee	86,500	\$143,400,000
Texas	182,000	\$323,500,000
Utah	12,500	\$22,200,000
Vermont	7,600	\$14,800,000
Virginia	60,400	\$87,700,000
Washington	65,900	\$110,700,000
West Virginia	32,800	\$46,300,000
Wisconsin	85,600	\$129,300,000
Wyoming	1,900	\$3,200,000
TOTAL	3,564,800	\$6,161,100,000

Source: U.S. Department of Agriculture

TABLE 2. EXPANDING WORK REQUIREMENTS COULD SAVE TAXPAYERS MORE THAN \$5 BILLION PER YEAR

Projected reduction in enrollment and potential annual savings

	ENROLLMENT Decline	ANNUAL SAVINGS
Alabama	49,500	\$75,300,000
Alaska	5,500	\$13,600,000
Arizona	65,900	\$108,700,000
Arkansas	26,800	\$41,600,000
California	339,600	\$678,400,000
Colorado	29,800	\$51,500,000
Connecticut	37,600	\$76,300,000
Delaware	12,200	\$21,800,000
District of Columbia	13,500	\$26,000,000
Florida	306,400	\$569,600,000
Georgia	117,000	\$201,900,000
Hawaii	15,700	\$50,200,000
Idaho	8,400	\$12,200,000
Illinois	146,500	\$274,800,000
Indiana	45,000	\$76,700,000
lowa	23,300	\$37,400,000
Kansas	15,900	\$27,100,000
Kentucky	44,100	\$67,900,000
Louisiana	47,900	\$86,700,000
Maine	13,800	\$23,600,000
Maryland	52,900	\$92,900,000
Massachusetts	59,300	\$100,000,000
Michigan	111,600	\$201,500,000
Minnesota	28,800	\$43,300,000
Mississippi	41,000	\$68,100,000
Missouri	54,200	\$91,200,000

	ENROLLMENT Decline	ANNUAL SAVINGS
Montana	6,600	\$10,600,000
Nebraska	9,500	\$15,500,000
Nevada	34,100	\$58,900,000
New Hampshire	6,400	\$9,200,000
New Jersey	55,900	\$87,500,000
New Mexico	28,300	\$47,900,000
New York	226,900	\$451,400,000
North Carolina	101,500	\$168,800,000
North Dakota	2,600	\$4,200,000
Ohio	103,900	\$159,900,000
Oklahoma	43,100	\$75,100,000
Oregon	63,300	\$107,700,000
Pennsylvania	129,100	\$206,900,000
Rhode Island	13,800	\$26,000,000
South Carolina	55,500	\$99,900,000
South Dakota	3,600	\$6,600,000
Tennessee	78,800	\$129,900,000
Texas	159,800	\$287,600,000
Utah	12,000	\$21,600,000
Vermont	6,400	\$12,800,000
Virginia	56,000	\$81,400,000
Washington	58,500	\$104,400,000
West Virginia	29,000	\$41,200,000
Wisconsin	62,900	\$95,700,000
Wyoming	1,700	\$2,800,000
TOTAL	3,061,400	\$5,431,800,000

Source: Authors' calculations



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