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How Biden's Massive Increase in Food Stamps Is Fueling the Worker Shortage

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KEY FINDINGS



**MASSIVE EXPANSIONS OF WELFARE
HAVE MADE STAYING HOME MORE
LUCRATIVE THAN WORK.**



**THE BIDEN ADMINISTRATION ENACTED THE
LARGEST PERMANENT INCREASE IN FOOD
STAMP BENEFITS IN PROGRAM HISTORY.**



**THE BIDEN ADMINISTRATION'S RECKLESS
SPENDING IS ONLY MAKING THE
WORKER SHORTAGE WORSE.**

THE BOTTOM LINE:

**CONGRESS MUST REIN IN THE BIDEN ADMINISTRATION'S
OUT-OF-CONTROL REGULATORY SPENDING TO
HELP SOLVE THE WORKER SHORTAGE.**

Overview

Millions of open jobs, too many workers on the sidelines, and out-of-control regulatory spending is contributing to an inflation crisis facing everyday Americans.¹ And under the Biden administration's leadership, the economy has only continued to spiral.

Today, more than 10.5 million jobs are open nationwide—a near-record high—but there are not enough workers to fill them.² There are more open jobs than people actively looking for work, with nearly two open jobs for every unemployed individual seeking employment.³ The number of Americans quitting their jobs has ticked above four million—and continues to float around a record high.⁴ And labor force participation rates now sit near a 45-year-low, with nearly three million workers missing from the labor force as compared to pre-pandemic levels.⁵⁻⁶



TODAY, MORE THAN 10.5 MILLION JOBS ARE OPEN NATIONWIDE—A NEAR-RECORD HIGH—BUT THERE ARE NOT ENOUGH WORKERS TO FILL THEM.

Massive COVID-19-related expansions of welfare have made staying home more lucrative than work, fueling the worker shortage America is still facing today.⁷ **The Biden administration boosted food stamps by 25 percent, the largest increase in program history, along with an additional 12.5 percent benefit increase.**⁸ The Biden administration also increased “emergency allotments” for food stamps by an additional \$95 per month for households already receiving the maximum benefit until March 2023.⁹

To make matters worse, the Biden administration suspended work requirements for able-bodied adults without dependents (ABAWDs) on food stamps, resulting in even more people sitting on the sidelines.¹⁰ These commonsense work requirements will remain suspended until the public health emergency officially ends.¹¹

Labor shortages are stunting an economic comeback, and the Biden administration is doing little to help. At a time when moving workers back into the labor force should be prioritized, the Biden administration has chosen welfare over work.¹²

The Biden administration enacted the largest food stamp benefit increase in program history

There are a near-record-high 41.6 million individuals on food stamps nationwide—more than doubling over the last two decades.¹³⁻¹⁴ This growth has been fueled primarily by able-bodied adults, many of whom are not working.¹⁵ And while the ABAWD work requirement is suspended, able-bodied adults are unlikely to return to the workforce any time soon. As a result, taxpayers spent nearly \$115 billion on food stamps alone in 2022—more than double the 2019 levels and 60 percent higher than in 2020.¹⁶

But despite near-record high food stamp enrollment and one of the worst workers shortages in modern history, the Biden administration has prioritized expanding welfare benefits over getting Americans back to work.

The Biden administration unilaterally and unlawfully increased food stamp benefits by 25 percent across the board—the largest permanent increase in program history.¹⁷ The 25 percent food stamp increase comes with a hefty price tag, with the Congressional Budget Office estimating total costs to be \$250 to \$300 billion over the next decade.¹⁸ Expanded welfare benefits like the permanent 25 percent increase in food stamps are only keeping people on the sidelines and further driving the worker shortage.¹⁹



EXPANDED WELFARE BENEFITS LIKE THE PERMANENT 25 PERCENT INCREASE IN FOOD STAMPS ARE ONLY KEEPING PEOPLE ON THE SIDELINES AND FURTHER DRIVING THE WORKER SHORTAGE.

Congress should rein in President Biden’s spending spree with the REINS Act

The Biden administration unilaterally increased food stamp benefits by 25 percent—at an estimated cost of \$20 billion per year—without input from taxpayers or Congress.²⁰ With the stroke of a pen, the Biden administration issued guidance to implement the largest permanent increase in food stamp program history.²¹ The Government Accountability Office concluded that this policy change was a rule that should have been submitted to Congress for review.²² This massive expansion in welfare via presidential directive highlights the need for greater regulatory oversight by Congress.

To strengthen oversight of costly executive actions, federal lawmakers should pass the Regulations from the Executive in Need of Scrutiny (REINS) Act and require legislative approval for major rules—those carrying a price tag of \$100 million or more—before agencies can implement them. Congress can follow the example of states like Florida by requiring legislative approval for costly rules before they go into effect.²³



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THE BOTTOM LINE: Congress must rein in the Biden administration's out-of-control regulatory spending to help solve the worker shortage.

Rather than restore commonsense work requirements to help move people off the sidelines, the Biden administration has chosen to expand welfare benefits by billions of dollars.²⁴ Left unchecked, the Biden administration will only make the situation worse in the coming months.

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Thankfully, states have paved the way, and federal lawmakers should follow their lead. By requiring legislative approval of costly rules, Congress can restore accountability and oversight over executive actions.²⁵ **If the American economy is to get back on track and avoid calamity, Congress must rein in President Biden's out-of-control regulatory spending.**

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