



ECONOMIC POLICY INNOVATION CENTER

The Fiscal Responsibility Act Changes to Food Stamps

The Fiscal Responsibility Act (FRA) of 2023 weakened work requirements in the Food Stamp program, which will trap more work-capable adults in dependence.

CBO estimates that an average of **78,000 people per month** would be added to the welfare rolls during the 2025 to 2030 period because of the FRA changes to Food Stamps.

In total, the Food Stamp provisions in the FRA will **increase federal spending on welfare benefits by \$2.1 billion** over the fiscal year 2023 to 2033 period.

2 FRA Changes that Strengthened Work Requirements

1. Work requirements phase in to temporarily include those aged 50 to 54.
 - This is a good policy that Congress should expand upon and make permanent.
2. The cap on discretionary exemptions from work requirements is reduced to 8% (from 12%) of those covered by work requirements and the carryforward of unused waivers will be restricted.
 - This is a positive change, but the impact was described by CBO as "negligible."

3 FRA Changes that Weakened Work Requirements

1. **Able-bodied homeless individuals** are temporarily excepted from work requirements.
 - Instead of providing people experiencing homelessness with a pathway to better outcomes through work, social connectedness, and support services, the FRA promotes dependency.
2. **Able-bodied veterans** are temporarily excepted from work requirements.
 - Providing a blanket exemption of Food Stamp work requirements for able-bodied veterans sends the wrong message that those who have served their country have little left to offer.
3. **Able-bodied people aged 24 and younger who were formerly in foster care** are temporarily excepted from work requirements.
 - Policies should encourage activities that promote future success, not dependency, in the formative years of an early career or post-secondary education.

USDA's regulations and guidance implementing these new exceptions **increases the risk of improper payments** by directing states to use **tax reporting and verification standards**.

What Should Congress Do?

Policies that expect work or work preparation activities as a condition of receipt of welfare benefits for able-bodied adults have been shown to have a positive impact. To promote self-sufficiency and end dependency, Congress should:

Eliminate the new work requirement exceptions for homeless individuals, veterans, and those formerly in foster care.

Expand and strengthen work requirements for able-bodied adults, including by permanently expanding the age applicability of work requirements.

Block the USDA's misguided regulations.

Read the full paper at: [EPICforAmerica.org](https://www.epicforamerica.org)