

Work Requirements Do Not Work

Overview

Evidence shows that work requirements don't move people out of poverty or off of social safety net rolls.

In fact, 20 years of evaluation following the implementation of work requirements to the Temporary Assistance for Needy Families (TANF) program demonstrates that:

- immediate employment increases were modest, and receded over time;
- stable employment was rare;
- most recipients subject to work requirements stayed poor, and some became poorer because they lost benefits and couldn't earn enough to make up the difference;
- families with significant barriers, such as domestic violence or undiagnosed mental illness, were affected most negatively.¹

However, voluntary employment programs can significantly boost employment without the negative impacts of abruptly ending assistance before recipients have achieved stability. Notably, the Jobs-Plus program provides access to employment and training services for public housing residents, and adjusted rent burden calculations for participants to allow them to keep a larger share of their earnings. This program significantly increased and sustained earnings and employment among participants for at least three years after the program ended.

Current Status

The Administration has issued an Executive Order which directs federal agencies, including Health and Human Services (HHS), Housing and Urban Development (HUD), and Agriculture (USDA), among others, to expand the reach of existing work requirements and impose new work requirements where they don't currently exist.

The Administration and Congress have already made a number of efforts to more broadly impose work requirements in various programs.

- The Centers for Medicare and Medicaid Services (CMS) issued guidance to states allowing them to apply for waivers to impose work requirements on Medicaid eligibility.
 - A federal judge in Kentucky recently rejected one such waiver.
- The House passed its version of this year's Farm Bill, including more stringent work requirements to determine eligibility for the Supplemental Nutrition Assistance Program (SNAP).
- HUD released a rent reform proposal, the Making Affordable Housing Work Act, which if enacted as law would allow Public Housing Authorities (PHAs) and housing providers to establish work requirements for individuals and households.

¹ <https://www.cbpp.org/research/poverty-and-inequality/work-requirements-dont-cut-poverty-evidence-shows>

- The Fostering Stable Housing Opportunities Act (H.R. 2069) was introduced to the House Financial Services Committee for consideration. The bill would give preference for public housing and housing choice vouchers to youth aging out of foster care. However, it would impose education or training requirements and/or mandatory participation in a program that requires work as a qualification for maintaining benefits – essentially a de facto work requirement.

Recommendation

Congress should reject any bills that would broadly apply work requirements to Medicaid nationally.

Further, Congress should reject any proposals that include work requirements or restrict access to essential safety net programs for the most vulnerable Americans. Instead, voluntary programs that encourage training, education, and increased employment should be scaled up across the country.

Specifically:

- The House should take up the Senate version of this year's Farm Bill which maintains existing requirements for SNAP beneficiaries.
- No administrative or Congressional proposals to reform the public housing or voucher programs should include work requirements of any kind.
- Programs such as HUD's Moving to Work Demonstration, or Family Self-Sufficiency program should be further evaluated, and scaled up if effective.