

SNAP Reform and Upward Mobility Act

Since the 90s, the federal government has loosened eligibility requirements for the Supplemental Nutrition Assistance Program (SNAP) and expanded loopholes¹ that exempt large populations from its work requirements. As a result of these dynamics, the program has ballooned from 17.1 million food stamp recipients in 2000 to 41.1 million in 2022.² Over the same period, the cost of providing food stamps through SNAP has risen from \$17 billion to \$119 billion.³ Meanwhile, SNAP continues to experience fraud and abuse that undermines the program's integrity and takes resources from the neediest.⁴

SNAP is meant to provide food for the most vulnerable and act as a temporary relief for individuals who've fallen on hard times. Work requirements, which most Americans support, ⁵ are commonsense measures to preserve welfare programs for future beneficiaries. Strengthening these requirements in SNAP would encourage beneficiaries to pursue work, which is associated with better mental health⁶ and ending cycles of poverty. ⁷ Towards these ends, Sen. Lee is introducing the SNAP Reform and Upward Mobility Act (SRUMA).

Bill Specifics:

Title I – Poverty Measurement Improvement

• Sets up a temporary bipartisan commission within the Census Bureau to accurately measure income and poverty levels by accounting for all means-tested federal benefits. This title authorizes \$1 million for the commission to conduct this work. *Nothing in this title would affect eligibility for any program listed*.

Title II - Modifications to SNAP

- Expands SNAP's general work requirements to individuals ages 16-64. The requirements currently only apply to individuals ages 16-59.
- Expands SNAP's hour-based work requirements to individuals ages 18-64 and to individuals with children over the age of six. The requirements currently only apply to individuals ages 18-49 and only to childless adults.

¹ Marie Fishpaw and Robert Rector, "Saving Food Stamps for the Poor, Not the Prosperous," <u>Heritage Foundation Commentary</u>, August 2, 2019.

² "SNAP Data Tables," U.S. Department of Agriculture. March 10, 2023.

³ Ibid.

⁴ "Scammers Rip Off SNAP Benefits, Keeping Americans Hungry," <u>Bloomberg</u>, January 25, 2023.

⁵ Linley Sanders, "How Americans evaluate Social Security, Medicare, and six other entitlement programs," *YouGov America*, February 8, 2023.

⁶ "Inactive, Disconnected, and Ailing: A Portrait of Prime-Age Men Out of the Labor Force," *Joint Economic Committee*, September 18, 2018.

⁷ Ron Haskins, "Helping Work Reduce Poverty," *National Affairs*, Winter 2017.

- Tightens state eligibility for federal waivers of SNAP work requirements by closing the geographic waiver loophole.
- Reduces the percentage of the SNAP caseload that states can exempt from work requirements from 15% to 5%.
- Allows married individuals with children to fulfill the program's hour-based work requirements jointly.
- Requires the Department of Agriculture (USDA) to report to Congress on the outcomes of SNAP Employment and Training Programs.
- Requires a 5% state match in SNAP benefits. The match increases by 5% each year from FY2022-FY2032, ending at 50%. This will bring SNAP in line with other welfare programs and incentivize states to conduct greater oversight on their own.
- Closes a "broad-based categorical eligibility" loophole in SNAP by ensuring that benefits received through other safety-net programs are means-tested, ongoing, and substantial for those benefits to make an individual categorically eligible for SNAP.
- Requires SNAP recipients to cooperate with fraud investigations as a condition of program eligibility.
- Allows for individuals to formally authorize five "users" for their Electronic Benefits Transfer (EBT) card and institutes penalties for unauthorized uses.
- Requires food retailers at high or medium risk for fraudulent SNAP transactions to be reauthorized on an annual basis.
- Requires the USDA to reinstate the publication of annual SNAP State Activity Reports.
- Requires states to make a disqualification determination of a food stamp retailer.
- Allows states to retain 50% of funds collected from intentional program violations to be used for fraud prevention efforts. Currently, states are only able to retain 35% of these funds and are not required to use the retained funds for better oversight of SNAP.