

## IMPOSING A TIME LIMIT ON FOOD STAMP RECEIPT: IMPLEMENTATION OF THE PROVISIONS AND EFFECTS ON FOOD STAMP PARTICIPATION

Office of Research and Analysis

September 2001

### Background

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 imposed a work requirement and time limit on food stamp recipients viewed as fit to work – able-bodied adults without dependents (ABAWDs). ABAWD participants are limited to three months of benefits in a three-year period unless they meet a work requirement. This study provides a national picture of how states implemented the ABAWD provisions and who was affected.

### Findings

The ABAWD population is small. In March 2000, there were 422,500 ABAWD participants in the Food Stamp Program (just over 2 percent of all participants). Two factors account for the small number. The definition of an ABAWD is relatively narrow, and participation among this group has declined steeply since the provisions went into effect.

Many ABAWD participants who left the program did not return. Nearly 200,000 participants were terminated in the first few months that ABAWDs exhausted their time-limited benefits. By March 2000, the total number who had reached the 3-month limit had grown to more than 900,000. There is little indication, however, that those who lost their benefits during the first 36 months returned to the program during the next 36-month period.

State policies affect the number of participants subject to the time limit. States had broad latitude to implement the ABAWD provisions. The choices they made affected the number of participants subject to the time limit. The use of waivers for areas with high unemployment rate or insufficient jobs, exemptions, and qualifying work activities had the most discernible and

direct effects. Nationwide, in March 2000, about 45 percent of ABAWD participants lived in waived areas, and 4 percent received 15-percent exemptions.

Half of all participants subject to the time limit met the work requirement. Of these, nearly half were working at least 20 hours per week, and an equal number were participating in workfare. Participants who were exempt from the time limit because they were working 30 hours or more are not counted by states as ABAWDs. Doing so raises the proportion meeting the work requirement to 68 percent.

The ABAWD provisions are complex and difficult to administer. State program managers identify the need to track the receipt of time-limited benefits over 36 months as the most difficult aspect of the policy. Other challenging policy features include the provision that allows ABAWDs to regain eligibility for three consecutive months within the three-year time period, changes in the beginning and ending dates of the 36-month period under some systems, and differences between work registration and ABAWD exemptions.

While some ABAWDs may be unwilling to meet the work requirement, others are not able to meet it. Despite generous federal funding, qualifying work activities are not available for all ABAWDs. Many ABAWDs face significant barriers to both work and participation in qualifying work activities, including homelessness, illiteracy, limited English proficiency, and lack of transportation.

The goal of the ABAWD provisions is to encourage food stamp participants who are fit to work to become more self-sufficient through employment and to limit benefits received by those who do not take part in qualifying activities. There is ample evidence that many ABAWD participants exhausted their time-

limited benefits and more limited evidence indicating that many of these persons did not return to the FSP after regaining their eligibility. It is more difficult to establish the extent to which the ABAWD provisions have succeeded in promoting employment. Many of those likely to be affected by the ABAWD provisions tend to have fairly short participation spells that are

bracketed by employment. Such persons have very different needs with respect to food assistance and work-related services than ABAWD participants with very limited work histories. Matching individuals to programs that best suit their needs continues to be a challenge in the implementation of ABAWD provisions.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.)

Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write: USDA, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington, DC 20250-9410; or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), or (866) 377-8642 (Relay voice users) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.