



Issue BRIEF



Robert Wood Johnson Foundation

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Proposed Changes to the Supplemental Nutrition Assistance Program: Waivers to Work-Related Time Limits

A [rule proposed](#) by the U.S. Department of Agriculture (USDA) on February 2, 2019, would reduce the number of nondisabled childless people age 18 to 49 who are receiving Supplemental Nutrition Assistance Program (SNAP) benefits. Currently, SNAP participants in this group must engage in meaningful work activity or face time limits on their benefits. However, if a geographic area has an unemployment rate that is at least 20 percent above the national rate or has other indicators of insufficient jobs, states can request that USDA waive the time limit for SNAP participants living in the area. The proposed rule would reduce the number of areas qualifying for a waiver by imposing stricter standards—for example, states would not be able to request a waiver for counties with unemployment rates less than 7 percent.

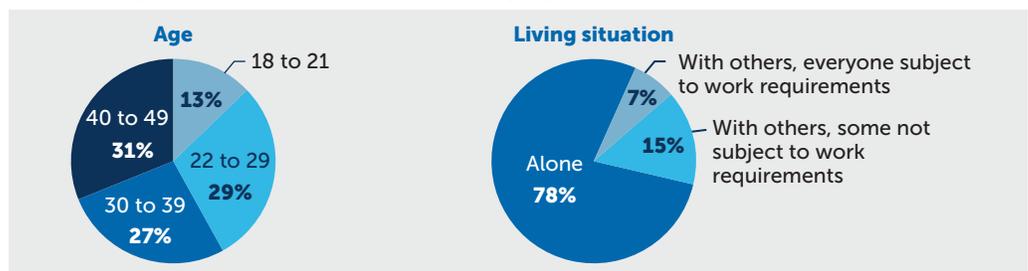
This issue brief, the third in a series of briefs analyzing the impact of proposed changes to SNAP, provides background on SNAP work requirements, time limits, and the proposed regulatory changes. The brief also sheds light on the characteristics of SNAP participants who could face time limits on receiving SNAP benefits under the proposed regulatory change. With support from the Robert Wood Johnson Foundation, Mathematica conducted this analysis using SNAP Quality Control (QC) data from fiscal year 2017, the most recent year for which data are available.

SNAP PARTICIPANTS POTENTIALLY AFFECTED BY PROPOSED CHANGES

A greater share of these SNAP participants lived in poverty (97 percent) compared to other SNAP participants (80 percent).

In fiscal year 2017, an estimated 1.2 million SNAP participants were not working an average of at least 20 hours per week and would have faced time limits but did not because they lived in a waiver area. Among these SNAP participants who could be affected by the proposed regulatory changes:

- 88 percent had household income at or below 50 percent of the poverty level.
- About one-third lived in SNAP households with reported income; the average monthly household income of this group was \$557, or 43 percent of the poverty level.
- 11 percent were working, although less than an average of 20 hours per week, and another 6 percent lived with someone else who was working.
- 5 percent lived with a person with a disability.
- The average monthly SNAP benefit was \$181 per person.



Source: Fiscal year 2017 SNAP QC data

SNAPSHOT: SOME SNAP PARTICIPANTS AGE 18 TO 21 COULD BE AFFECTED BY THE PROPOSED CHANGES

In 2017, about 498,000 SNAP participants were age 18 to 21, did not have a disability, and were in a childless SNAP household. Some of these young adults would newly face time limits under the proposed rule changes.

- One-third lived in a waiver area and did not work an average of at least 20 hours per week; these are the young adults who might lose their SNAP benefit because of the proposed changes.
- Slightly less than half lived with a parent and 10 percent lived with another relative, a spouse, or a peer; the remainder—about 40 percent—did not share food resources with another person.
- 23 percent worked an average of 20 hours per week or more (enough to avoid time limits on their benefits), 6 percent were working fewer hours, and 17 percent were not working but lived with someone who was.
- The average monthly benefit was \$142 per person.

Source: Fiscal year 2017 SNAP QC data.

Under the proposed rule, an estimated three-quarters of these SNAP participants would be newly subject to a three-month limit on their benefits, according to USDA. Some of them would increase existing work to an average of 20 hours per week, find work, or meet the work requirements by participating in an employment and training program or workfare (unpaid work through a state-approved program). However, USDA estimates that two-thirds (755,000 people in 2020) would not meet the additional work requirements and would therefore lose eligibility after three months. For those living with others unaffected by the policy change, the SNAP household could continue to receive benefits, but the amount would be reduced; those living alone would lose all SNAP benefits.

SNAP WORK REQUIREMENTS AND CURRENT WAIVER POLICY

Currently, SNAP participants age 16 to 59 must register for work unless they are already working at least 30 hours per week, have a disability, or meet other criteria, such as caring for a young child or an incapacitated person. Work registrants who are age 18 to 49 in childless SNAP households are subject to additional work requirements and a time limit: they must work an average of at least 20 hours per week to continue receiving SNAP benefits for more than three months in a three-year period. However, they are exempt from the time limits if they (1) participate in a qualifying employment and training program or other meaningful work activity, (2) have a discretionary exemption from the state agency, or (3) live in a waiver area, an area for which the state agency requested and received a federal waiver from the time limits due to high unemployment (see page 4 for a waiver area timeline). In recent years, states based most requests for geographic waivers on the area qualifying for the extended unemployment benefits authorized during the Great Recession or experiencing a high unemployment rate. Currently, 17 states have no waiver areas, either because no area in the state qualified or the state agency chose not to request a waiver (see map on page 3 and table on page 4).

USDA’s proposed regulatory change would eliminate or modify some current waiver area policies and leave others unchanged, as shown in the table below.

Waiver area policies

Current policy

Proposed regulatory change

Criteria to establish waiver area

| | |
|--|---|
| The Department of Labor (DOL) designated the area as a Labor Surplus Area based on a recent 24-month average unemployment rate that is either at least 10 percent or at least 6 percent and at least 20 percent above the national average | Eliminated |
| DOL determined that the area meets the criteria for extended unemployment benefits, available to workers who have exhausted regular unemployment insurance benefits during periods of high unemployment | No change |
| Data from the Bureau of Labor Statistics (BLS) show the area had a recent 12-month average unemployment rate greater than 10 percent | No change |
| Data from BLS show the area had a recent 24-month average unemployment rate at least 20 percent above the national average | The unemployment rate also must be at least 7 percent |

Other waiver area policies

| | |
|---|---|
| Waivers may be statewide | Only waivers based on extended unemployment benefits may be statewide |
| State agencies may combine data from substate areas, such as counties, that are contiguous, share an economic region, or both | State agencies may combine data only for areas collectively designated as Labor Market Areas by BLS |
| Waivers may extend beyond the fiscal year | Waivers based on a 24-month average unemployment rate may not extend beyond the fiscal year |

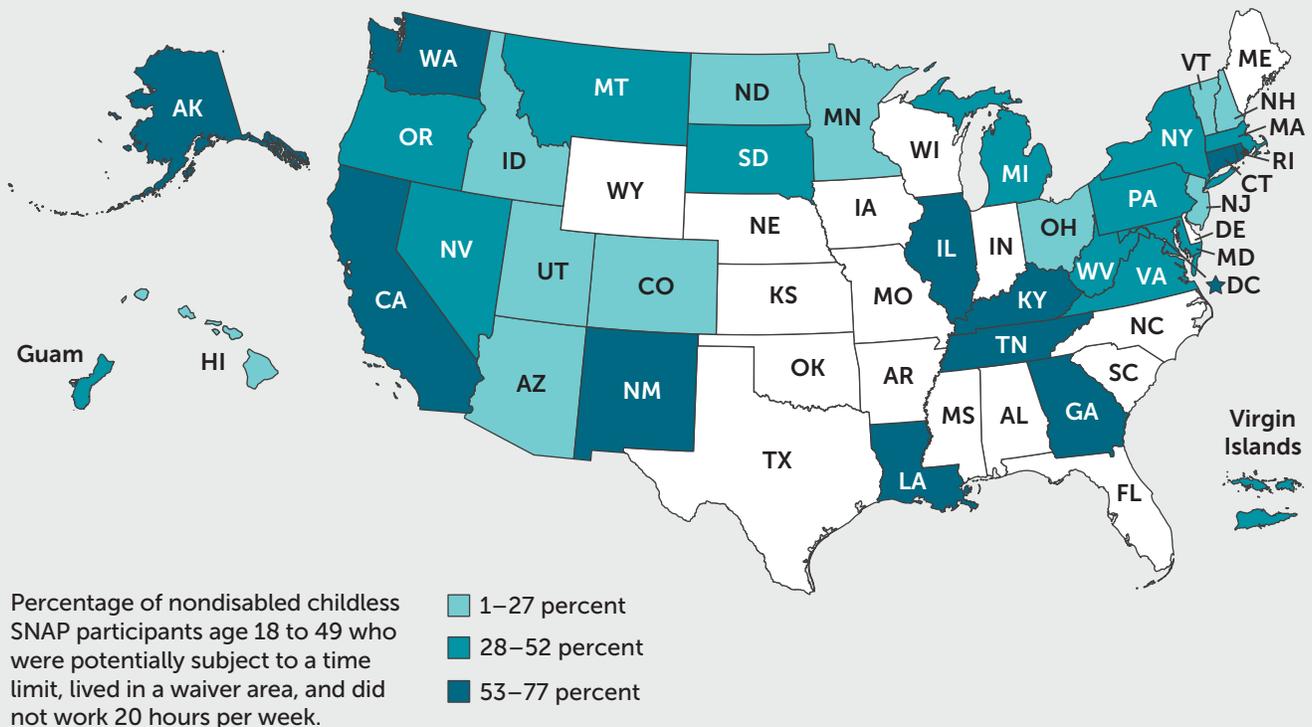
ESTIMATED IMPACT

The proposed regulatory changes would result in a 2.5 percent reduction in spending on SNAP benefits nationally, according to USDA estimates. The potential impact varies by state and depends on a variety of factors, including state agency policies, the local labor market, and the characteristics and circumstances of the participants. For example, SNAP participants in the 17 states without waiver areas would not be affected by the proposed changes because they already face time limits unless they are engaged in meaningful work activities or are exempt for other reasons. In other states, the state agency may offer a slot in a qualifying employment and training program to participants who would otherwise face a time limit or use federal “percentage exemptions” to exempt some SNAP participants from the time limit.

In many states with current waiver areas, at least some SNAP participants living in those areas will be newly required to work an average of at least 20 hours per week to continue receiving benefits for more than three months. Both the local labor market and SNAP participants’ job readiness will affect their ability to find work. To provide some perspective, 21 percent of nondisabled childless SNAP participants age 18 to 49 worked an average of at least 20 hours per week, according to the fiscal year 2017 SNAP QC data. The percentage ranged from 9 percent to 36 percent across states.

In addition to job readiness, other characteristics and circumstances of SNAP participants will influence whether they lose eligibility for SNAP under the proposed change. For example, certain SNAP participants are not required to register for work because they are caring for an incapacitated person or meet other criteria; work requirements will not change for these participants. On the other hand, some participants who newly face a time limit may choose to forgo SNAP benefits and rely on other available resources, such as food banks or family members, rather than comply with work requirements.

Which states are more likely to be affected by the proposed changes?



Source: Fiscal year 2017 SNAP QC data.

Note: States with a white background did not have waiver areas in fiscal year 2017.

STATE WAIVER AREAS IN FISCAL YEAR 2017

No waiver areas

| | |
|-------------|----------------|
| Alabama | Missouri |
| Arkansas | Nebraska |
| Delaware | North Carolina |
| Florida | Oklahoma |
| Indiana | South Carolina |
| Iowa | Texas |
| Kansas | Wisconsin |
| Maine | Wyoming |
| Mississippi | |

Some waiver areas

| | |
|---------------|---------------|
| Arizona | New Jersey |
| Colorado | New York |
| Connecticut | North Dakota |
| Georgia | Ohio |
| Hawaii | Oregon |
| Idaho | Pennsylvania |
| Kentucky | South Dakota |
| Maryland | Tennessee |
| Massachusetts | Utah |
| Michigan | Vermont |
| Minnesota | Virginia |
| Montana | Washington |
| New Hampshire | West Virginia |

Statewide waiver

| | |
|----------------------|----------------|
| Alaska | Louisiana |
| California | Nevada |
| District of Columbia | New Mexico |
| Guam | Rhode Island |
| Illinois | Virgin Islands |

DIFFERENCES IN STATE USE OF WAIVER AREAS

Since SNAP time limits were reinstated after the Great Recession, some states have requested and received waivers for all or parts of the state while others have not requested any time limit waivers. The waiver area timeline illustrates how the prevalence of state time limit waivers changed from 2009 through 2018; the call-out box on the left shows state use of waiver areas in fiscal year 2017. While states with the highest unemployment rates in 2017—Alaska and New Mexico—had statewide waivers, others with overall unemployment rates above the national average of 4.4 percent chose not to apply for a waiver for any areas of the state.

Waiver area timeline

| | |
|-----------------------------------|---|
| April 2009— September 2010 | Congress temporarily suspended the time limits through the American Recovery and Reinvestment Act. |
| October 2010— December 2015 | In fiscal year 2011, time limits continued to be waived based on extended unemployment benefits for 45 states, the District of Columbia, Guam, and the Virgin Islands and in some areas of five additional states. By the end of fiscal year 2015, time limits were re-implemented in nine states and in some areas of 13 more states. |
| January 2016— fiscal year 2017 | Few areas still qualified for extended unemployment benefits, but many areas received time limit waivers based on other indicators of high unemployment, such as an unemployment rate at least 20 percent above the national average. Seventeen states had no waiver areas for most of this time. |
| December 2018 | Seventeen states have no waiver areas; seven states, the District of Columbia, Guam, and the Virgin Islands have time limit waivers for their entire area; and the remaining states have waivers for some but not all areas of the state. |

SOURCES

Mathematica used fiscal year 2017 SNAP QC data to produce the estimates shown in the second half of page 1, the SNAPSHOT on page 2, and the second paragraph and map on page 3. The underlying assumptions and key variables used are available upon request. USDA's estimated impact of the proposed regulatory changes, mentioned at the top of page 2 and the first sentence of page 3, are drawn from the Regulatory Impact Analysis of the proposed rule. Finally, information on state waiver areas was compiled from FNS's "ABAWD Waiver Status" reports.

This brief series was created by Mathematica in collaboration with the Robert Wood Johnson Foundation to analyze the impact of proposed changes to SNAP. Many individuals made important contributions, including Carmen Ferro, Sarah Lauffer, Joshua Leftin, Gwyneth Olson, and J.B. Wogan from Mathematica; Gina Hijjawi from RWJF; and Adam Zimmerman from Burness. Two other briefs in this series can be downloaded from Mathematica's website:

[Proposed Changes to the Supplemental Nutrition Assistance Program: Heating and Cooling Standard Utility Allowances and Earned Income](#)

[Simulating Proposed Changes to the Supplemental Nutrition Assistance Program: Countable Resources and Categorical Eligibility](#)

For more information about Mathematica's work in this area, contact Senior Researcher Karen Cunyngnam at KCunyngnam@mathematica-mpr.com or (202) 264-3480.

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