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Eric Brakey Senator, District 20

## Senator Eric Brakey

## L.D. 784, An Act to Establish Welfare Work Requirements for Able-Bodied Adults Without Dependents

## Before the Joint Standing Committee on Health and Human Services

## Friday, April 7, 2023

Senator Baldacci, Representative Meyer, and esteemed members of the Committee on Health and Human Services, thank you for allowing me to present L.D. 784, *An Act to Establish Welfare Work Requirements for Able-Bodied Adults Without Dependents*. I am Senator Eric Brakey and I represent Senate District 20, which includes the towns of New Gloucester, Durham, Auburn, and Poland.

For those who are able-bodied and capable of work, welfare should be a safety net and not a hammock. It is not good for society or the human spirit for those with the capacity to contribute to grow permanently dependent on taxpayer-funded handouts with no expectation of taking steps to improve your lot in life.

That is why, during the LePage Administration, the state ceased requesting a waiver from federal work requirements in the SNAP program. As a result, those enrolled in the SNAP program who fall under the category of able-bodied adults without dependents (ABAWDs) were required to work, volunteer, and engage in job training. The results were eye-opening.

As reported in Forbes:

Maine Gov. Paul LePage's recent welfare reforms have led to more employment, higher wages, and less dependency, according to a preliminary report published by the Maine Department of Health and Human Services and the Maine Office of Policy and Management.

In October 2014, Maine began requiring about 16,000 able-bodied childless adults to work, train, or volunteer on at least a part-time basis in order to continue receiving food stamps. Adults who refused to comply with the new requirements would cycle off after three months of benefits.

After implementing these reforms, Maine quickly moved thousands of able-bodied adults out of dependency and into self-sufficiency. By January

2015, the number of able-bodied adults on food stamps had dropped to 4,500 and has continued to decline.

[By 2016], just 1,500 able-bodied childless adults [relied] on Maine's food stamps program. Those still relying on the program also need less assistance overall, as they are working more, with average benefits dropping 13% since the work requirements went into effect. As a result of these changes, taxpayers are now saving between \$30 million and \$40 million each year.

More importantly, Maine's success story goes far beyond taxpayer savings. Maine's Department of Health and Human Services connected with the state's Department of Labor in order to evaluate the impact of the reforms. State officials then tracked employment and wage records for nearly 7,000 able-bodied adults as they cycled off food stamps when the work requirements were first implemented.

The results were impressive. Within a year, these able-bodied adults saw their incomes rise by an average of 114%. That increase came as more able-bodied adults re-entered the labor force, worked more hours, or found jobs with higher wages. Thanks to this higher income, poverty rates have declined and now, working able-bodied adults are earning more than enough on average to bring them above the federal poverty line.

Better still, the higher wages more than offset lost benefits, meaning those leaving welfare were better off than when they were trapped in government dependency. After Maine implemented its reforms, these able-bodied adults saw their incomes go up by a combined \$18 million per year.

To summarize the conclusions, work requirements work. When targeted properly, work requirements help to counter the disincentives that welfare programs create for going into the workforce and putting yourself on the road to independence and self-sufficiency.

This legislation would establish in statute the exact same work requirements for ABAWDs that proved effective during the LePage Administration to the SNAP, MaineCade, and General Assistance programs.

Able-bodied adults without dependents, between the ages of 18 to 50, would be able to enroll in these programs for three months before work requirements were enforced. Beyond that, to maintain eligibility, they would be required to work, volunteer, or participate in job training.

Despite what critics may say, these reforms are in the best interests of those who would be affected by the policy change. As Ronald Reagan once said, "The best social program is a job." Right now, there are plenty of jobs. We have a workforce shortage. Unemployment rates are below full employment. And yet, our workforce participation rates are among the lowest we've ever seen after an expansion of Medicaid that swept up able-bodied, working-age people and then trapped them behind a welfare cliff that discourages work. All this proposal does is institute work requirement policies, which are already proven effective, at a time when we desperately need working age people in the workforce. I hope you will adopt these common sense measures and help get Maine back to work.

Thank you for your time and consideration. I will gladly take questions to the best of my ability.