

CHAIR JODEY ARRINGTON HOUSE BUDGET COMMITTEE

<u>CBO Confirms:</u> <u>Biden-Harris Thrifty Food Plan Defied Congressional</u> <u>Intent and Reduced Labor Force Participation</u>

WASHINGTON, D.C. – Yesterday, the nonpartisan Congressional Budget Office (CBO) <u>released</u> its analysis of the impact the Biden-Harris Administration's unilateral expansion of the Supplemental Nutrition Assistance Program (SNAP) has had on labor force participation. Based on CBO's estimates, the TFP increase (**\$300 billion over the next decade**) likely lowered the work effort of those receiving benefits. Studies show lower labor force participation results in lower economic growth and delivering federal revenue.

This analysis is in response to a request from House Budget Committee Chairman Jodey Arrington (R-TX).

CHAIRMAN ARRINGTON STATEMENT

"CBO confirmed that the Biden-Harris Administration's unilateral expansion of Food Stamp benefits by tens of billions of dollars has created a perverse incentive for healthy adult beneficiaries not to work.

The Biden-Harris Administration's <u>over \$2 trillion</u> in executive spending has not only increased the national debt and reduced job participation but has trapped a whole new generation of Americans in poverty and government dependence.

We owe it to the American people to ensure their tax dollars are well-spent and produce outcomes that are beneficial to everyone like encouraging healthy adult welfare recipients to work."



BACKGROUND

The Thrifty Food Plan (TFP) is used by the United States Department of Agriculture to determine SNAP benefit levels. For nearly 50 years, the TFP remained cost-neutral on an inflation-adjusted basis.

In August 2021, the Biden-Harris Administration conducted a unilateral reevaluation of the TFP absent any cost constraints. As a result, the price of the TFP **increased 23 percent** at an initial estimated cost of **\$300 billion** over the budget window. This reevaluation has contributed to skyrocketing baseline projections under the Biden-Harris Administration.

Not only did this unprecedented executive action break partisan precedent, it violated the Congressional Review Act of 1996 which requires government agencies to submit significant policy updates to Congress, according to the Government Accountability Office.

THE BOTTOM LINE

Since taking office, President Biden and Vice President Kamala Harris have signed **142 executive orders costing American taxpayers an additional \$2 trillion**.

The TFP increase is yet another example of the Biden–Harris Administration circumventing Congress to enact their partisan policy agenda, leaving working–class Americans on the hook for hundreds of billions of dollars.

Moreover, thanks to the CBO's analysis, we now know that the TFP increase also resulted in a reduction of labor force participation among working-age SNAP recipients, decreasing economic growth. The partisan policies of the Biden-Harris Administration are disincentivizing work and damaging the prospects that low-wage workers will even enjoy economic prosperity.



The Biden-Harris Administration's unsustainable deficit spending is driving our unprecedented **§35 national debt**. House Budget Committee Republicans are committed to evaluating the full costs of the Biden-Harris Administration's executive spending spree to develop a full analysis of the effects of their woke agenda.

MORE FROM THE HOUSE BUDGET COMMITTEE

Read Peterson Foundation's recent poll which found swing state voters are concerned about the national debt <u>HERE</u>.

Read how the Biden-Harris Administration's record high spending and interest costs have resulted in the third-highest deficit in American history <u>HERE</u>.

