

— TOP TAKEAWAYS —

Reforming Welfare to Fight Fraud and Promote Independence

2026 MARKS 30 YEARS OF WELFARE EXPANSIONS AND REFORMS

- The Personal Responsibility and Work Opportunity Reconciliation Act (known as welfare reform) was passed in 1996, implementing work requirements.
- Welfare reform led to good outcomes: the poverty rate fell, more people gained economic independence, and employment among single mothers [rose](#) dramatically while their participation in welfare was nearly cut in half.
- Since then, economic downturns, the Affordable Care Act, and the COVID-19 pandemic have expanded public aid and eroded work requirements. Now, tens of millions of people are reliant on the government, without an off-ramp.

WELFARE SPENDING HAS ONLY GROWN, AND SO HAS WASTE AND ABUSE

- The U.S. spends over [\\$1 trillion](#) annually on over 80 anti-poverty programs. Four programs take up the majority of spending: Medicaid, Supplemental Nutrition Assistance Program, Supplemental Security Income, and the Earned Income Tax Credit.
- A full [85%](#) of this spending is automatic through mandatory spending in entitlement programs and is continuous unless laws change. Only 15% is managed by Congress through appropriations.
- Welfare is highly vulnerable to fraud, waste, and abuse. Medicaid, Medicare, the EITC, and SNAP made up 67% of the [\\$186 billion](#) in government-wide improper payments in 2025.

CONGRESS SHOULD REFORM WELFARE AND PRIORITIZE WORK

- Able-bodied adults, including parents, comprise a significant portion of poverty programs, yet are not participating in the labor force. Nearly [two out of three](#) non-disabled working-age adults who are enrolled in SNAP are out of the workforce.
- Federal programs must verify eligibility before granting benefits and use technology to expedite this process. One pilot program identified [14 million](#) cases of duplicate participation in Medicaid, SNAP, and TANF.
- Eligibility for public assistance needs to be strict. Categorical eligibility often exempts participants from income and asset limits. These programs must be reserved for those who are truly vulnerable.

Click [HERE](#) to read the policy focus and learn more about welfare reform.