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Reducing Administrative Burdens to Promote Access and Equity in Government Programs

Each year, over 18 million people file the Free Application for Federal Student Aid, or the FAFSA. Completing this form is necessary for families to receive federal financial aid; yet, only 57% of high school graduates from the class of 2021 filed the FAFSA.[1] Prior to October 2022, the FAFSA was a 100+ question form requiring all sorts of personal and financial information, and many families found the FAFSA to be too burdensome to complete, despite the financial benefits. A 2018 Department of Education report found that 23% of students who did not complete the FAFSA (called "non-filers") did not file because they lacked information about how to complete the form.[2] 34% of Hispanic non-filers and 27% of Black non-filers cited this reason, compared to only 18% of white non-filers.[3] The complexity of the FAFSA caused families—disproportionately families of color—to lose money, including an estimated $3.75 billion dollars of federal financial aid in 2021.[4] In 2020, Congress passed the FAFSA Simplification Act.[5] As a result, beginning in October of 2022, families only need to fill out a simplified 36-question FAFSA.[6] This should make it easier for families to complete the FAFSA and reduce disparities, helping ensure more equitable access to financial aid.

Administrative Burdens Limit Access for All

Government programs only work if people can access them; administrative burdens reduce program access and should be eliminated wherever possible. Administrative burden is the time, money, effort and other work people must endure to access government programs or services, like determining one's eligibility, navigating unfamiliar processes, and completing complicated paperwork.[7] Everyone encounters administrative burdens in one form or another: to file the FAFSA, to get a passport, to file our tax returns, to apply for and keep government benefits. If these processes were made easier and simpler, everyone would benefit. But, for people living in chronic scarcity—those with limited time to gather necessary paperwork, limited money to pay required fees, or limited resources to travel to in-person appointments—administrative burdens aren't just inconvenient; they can be the difference between accessing a government program or not.[8]

For example, today there are about 2.6 million U.S. farmers, many of whom are eligible for financial support through the Department of Agriculture's (USDA) Farm Loan Program.[9] Unfortunately, the Farm Loan Program is filled with unnecessary administrative burdens.[10] Farmers must navigate over seven different loan programs to find the one(s) for which they're eligible, locate their nearest USDA service center and attend an in-person visit with a loan officer, and *only then* can they complete an application—which requires applicants to submit over 10 forms, copies of all leases and other agreements, tax returns from the past 3 years, verification of all income and assets, and pay a fee. And yet, after overcoming all these hurdles, around 33% of submitted applications are rejected,[11] and loan applications from Black, Asian, Hispanic, and indigenous farmers are rejected at higher rates than white farmers.[12]

Administrative burdens reduce program access for all people. Unfortunately, policymakers sometimes intentionally add administrative burden—or sludge—to programs for political reasons, with disproportionate impacts for marginalized communities. But when policymakers reduce administrative burden—as occurred during the COVID-19 pandemic—everyone benefits. Recently, the Biden administration identified the importance of reducing administrative burden, which promotes racial equity, economic growth, and trust in government. Policymakers who want government to work for everyone should take steps to prevent the re-implementation of sludge and seek out new opportunities to reduce administrative burden.

Policymakers Add Sludge and Hassles, Disproportionately Harming Marginalized Communities

Some administrative burdens are inevitable, but too often policymakers use them to purposely make it harder to access programs and services.[13] Because administrative burdens are complex and program-specific, policymakers often add hassles to reduce program access—what behavioral scientists would call sludge.[14] In 2012, then-Florida governor Rick Scott added under-the-radar sludge to the state's Unemployment Insurance (UI) in order to decrease program participation and save money while avoiding public scrutiny.[15] Scott added, for example, a 45-question "skills review" test to the application that included questions in applied mathematics, required applicants to provide documentation that they applied to at least five jobs a week, and cut funding for program staff so that applicants couldn't call to get their questions answered. In combination, these changes made the program time-consuming and burdensome to access. As a result, the state's Unemployment Insurance denial rate jumped to 66%, and only 15% of eligible Floridians received Unemployment Insurance, compared to a 27% national average.[16] Scott used administrative burdens to strip benefits from eligible people seeking financial support during tough times. Unfortunately, this is not a unique example: many programs were intentionally designed, and continue to operate, with harsh administrative burdens that restrict access for political gains, while disproportionately harming communities with the least resources to overcome them.

The Temporary Assistance for Needy Families (TANF) program similarly demonstrates how administrative burdens disproportionately harm those who most need a service or benefit.[17] TANF is filled with administrative burdens: drug tests, educational requirements, benefit time-limits, restrictions on cash usage, and more. Only 21 of every 100 families living in poverty received TANF in 2020.[18] Additionally, many of these burdens are rooted in intentionally racist policies that have historically, and continue to systemically, deny access to Black, Hispanic, and Indigenous families and other families of color.[19] For example, policymakers used racist tropes about Black mothers exploiting cash assistance programs without working to justify TANF work requirements.[20] Even though evidence shows that work requirements don't increase employment, and instead cause people to lose benefits, states continue to implement them in their TANF programs.[21] Unsurprisingly, states with larger proportions of Black people have less generous and more restrictive TANF policies.[22] And when families experience a crisis, Black children are less likely than their white counterparts to receive TANF benefits.[23] The same is true for Hispanic families, although the disparity between white families is narrower.

Reducing Administrative Burden Promotes Equity, Economic Growth & Trust

1. *Reducing Administrative Burdens will Promote Racial Equity*

Historic and systemic discrimination leads administrative burdens to fall disproportionately on people of color. Previous policy choices prevented people of color from being able to build resources; for example, discriminatory housing policies kept Black people and other people of color from being able to obtain home loans.[24] As a result of such policies and persistent discrimination, Black, Brown, Indigenous and other people of color have less wealth on average and are more likely to need safety net programs for support.[25] In 2019, Black and Hispanic people made up half of all Medicaid and CHIP enrollees, despite making up less than one third of the U.S. population.[26] However, the administrative burdens associated with accessing these programs fall most on people with the fewest resources—those with the least time, money, and cognitive bandwidth to jump through bureaucratic hurdles.[27] Taking into account the ways previous policies have systematically denied communities of color access to resources, it is thus unsurprising that administrative burdens disproportionately harm people of color, causing these communities to underutilize critical programs and services to which they are entitled. The underutilization of services like Medicaid, which provides health care coverage, or the Supplemental Nutrition Assistance Program (SNAP), which promotes food security, perpetuates existing racial inequities in health, wealth, and well-being.

A broad movement to dismantle systems of race-based oppression has been building in recent decades, including most recently, the Biden administration's Executive Order 13985, *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*.[28] In his order, Biden explicitly identified the role that reducing administrative burden plays in advancing racial equity, and it remains a critical part of the broader anti-racism movement. We must reduce administrative burden in government programs and services so that communities of color can access the resources they have been historically excluded from, including health care coverage, nutritional supplements, unemployment insurance, cash assistance, and more.

2. *Reducing Administrative Burdens will Promote Economic Growth*

When people can easily access the programs for which they are eligible, they are able to get the resources they need: this includes access to critical safety net resources (for food, healthcare, childcare, or rent), small business loans or farm loans for people to grow their businesses, student loans for people to afford higher education and get higher paying jobs, and more. After these needs are met, people are able to spend more and positively contribute to the economy.[29] Previous research affirms that participation in benefits programs promotes economic growth. For example, SNAP has been found to put $1.54 in the economy for every dollar spent during recessions,[30] with some studies showing that rural areas experience greater economic benefits than urban areas.[31] Similarly, Unemployment Insurance created $1.61 in economic benefit for every dollar spent during the 2009 financial crisis.[32] Of course, these economic gains can only be realized if eligible people are able to access and utilize these programs.

When administrative burdens were temporarily reduced in many government programs in response to the COVID-19 pandemic, this led to economic growth, despite the broader economic downturns that were occurring globally. It is estimated that every dollar spent on Medicaid during the COVID-19 pandemic led to $1.35-$1.80 of economic growth.[33] Reducing administrative burdens is an essential way to ensure eligible people can access government resources so that the economic benefits of program utilization can be realized, both during and beyond economic recessions.

3. *Reducing Administrative Burdens will Promote Trust in Government*

By reducing administrative burden and making government processes easier, simpler, and more transparent for all, faith in the federal government will increase. When eligible people experience barriers in accessing government programs and services, their trust in government decreases.[34] Many people believe that distrust of government makes it harder to solve problems,[35] and research has shown that it leads to reduced support for government action.[36] By reducing administrative burden and increasing the accessibility of government resources, trust in the government will likely increase, leading to increased faith in the government's ability to solve problems and increased support in government action.[37]

Governments Must Reduce Administrative Burden

The federal government must reduce administrative burden in its programs and services wherever possible and encourage state and local governments to do the same. This ensures that everyone is able to access the support they are eligible to receive, especially families with the least time, money, and effort available to jump through administrative hurdles. While states and localities often administer government programs and services, the federal government has the power to grant states permission to reduce administrative burden. For example, in response to the COVID-19 pandemic, Congress granted the federal government permission to approve flexibilities to the Supplemental Nutrition Assistance Program (SNAP) on a state-by-state basis.[38] As a result, states were able to extend certification periods, accept non-recorded phone signatures, eliminate face-to-face interview requirements, limit periodic reporting procedures, postpone expedited interviews, waive initial recertification requirements, and more. The federal government took similar action with the Medicaid program, allowing states to submit waivers to automatically renew Medicaid enrollees, pre-populate enrollment forms, renew people who apply online or over the phone, and more.[39] Perhaps most importantly, Congress increased federal funding to states for Medicaid, but required states to continuously cover existing recipients through the end of the federal public health emergency to gain access.[40] All of these federal actions in response to the COVID-19 pandemic helped reduce administrative burden and allowed people to more easily access critical social safety net programs.

However, as the pandemic emergency has waned, these changes are expiring, and the federal government has not passed additional measures to incentivize the continued reduction of administrative burdens.[41] Some states have applied for new waivers or extended flexibilities on their own, but many states are reverting back to pre-pandemic procedures. This is unfortunate. Rather than rolling back the new streamlined systems, the federal government should seek to make many of the changes permanent and look for additional ways to reduce administrative burdens. The Biden administration has recognized this longer-term goal: on December 13, 2021, President Biden issued Executive Order 14058, *Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government.*[42] In the order, Biden stated that the federal government should, "reduce administrative burdens, simplify both public-facing and internal processes to improve efficiency, and empower the Federal workforce to solve problems."[43] But only so much can be done without Congressional action, and even states applying for waivers now may soon grow weary of this added burden without new federal incentives.

It is essential that Congress take action to sustain and expand the reduction of administrative burden across all government programs and services. Congress can take several steps:

1. Fully fund and staff all government agencies responsible for administering services to the public to reduce backlog and ensure representatives are available to field calls.
2. Allow states to permanently implement flexibilities that reduce administrative burden in government programs such as SNAP and Medicaid.
3. Continue to leverage federal funding to incentivize states to permanently reduce administrative burden in their programs and services.
4. Require that customer-facing, federally funded programs that provide critical services and benefits are not overly burdensome.
5. Ensure that policymakers and administrators do not use administrative burdens to reduce participation and subvert the goals of a government program.

Conclusion

Administrative burdens are pervasive in government programs and impact all participants, especially those with the fewest resources to manage them. Changes to benefits programs during the COVID-19 pandemic demonstrated the political viability of reducing administrative burdens and highlighted the benefits to equity, economic growth, and trust. As the public health emergency ends, Congress must act to permanently reduce administrative burden in federal programs and incentivize state and local governments to do the same.

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