



Date: February 6, 2026

DMS Operations Memo 26-04

To: Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff
FSET Agencies

Affected Programs:	
<input type="checkbox"/> BadgerCare Plus	<input type="checkbox"/> Caretaker Supplement
<input checked="" type="checkbox"/> FoodShare	<input checked="" type="checkbox"/> FoodShare Employment and Training
<input type="checkbox"/> Medicaid	
<input type="checkbox"/> SeniorCare	

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Division of Medicaid Services

**2023 Fiscal Responsibilities Act Final Rule and
H.R. 1 Expansion of the FoodShare Work Requirement**

CROSS REFERENCE

- FoodShare Wisconsin Handbook Sections [1.1.4 Eligibility Overview](#), [3.2.1.3 Homelessness](#), [3.16.1 FoodShare Basic Work Rules](#), [3.17.1 FoodShare Work Requirements for ABAWDs](#), [6.1.3. Timely Action on Reported Changes During the Certification Period](#)
- FSET Policy Handbook, Section [6.2.1 Non-ABAWD](#)
- Operations Memo 25-14, [Changes to Exemptions and Time Limit Suspensions for FoodShare Work Requirements](#)
- Operations Memo 24-19, [Continued Fiscal Responsibility Act Update to the FoodShare Work Requirement](#)
- Operations Memo 23-26, [Changes to FoodShare Work Requirement Exemptions and Age Range Based on the 2023 Fiscal Responsibility Act](#)
- 7 CFR §§ 271.2, 273.7(b)(3) and 273.24
- 7 U.S.C. §§ 2015 (o)(3)

EFFECTIVE DATE

March 1, 2026

PURPOSE

This operations memo announces FoodShare work requirement changes for members who are able-bodied adults without dependents (ABAWDs), as required by federal regulations for implementing the Fiscal Responsibility Act (FRA) of 2023 and the One Big Beautiful Bill Act of 2025 (2025 H.R. 1). This memo also includes additional clarifications to FoodShare work requirement policy.

BACKGROUND

Federal law requires that FoodShare members who are ABAWDs must meet a work requirement to maintain FoodShare eligibility, unless they have an exemption. The Income Maintenance (IM) agency is responsible for determining if a FoodShare applicant or member meets the criteria for an exemption. If an ABAWD member does not meet the work requirement or has an exemption in a month during which they receive a full benefit, that month will count toward the benefit time limit of three months in a fixed three-year period. These months are referred to as “countable months.”

To implement provisions of the FRA, the Food and Nutrition Service (FNS) published regulations in December 2024 that include new requirements for the screening and treatment of exemptions. These regulations also updated the definition of homelessness. Wisconsin implemented the new FRA final rule policy for the loss of an exemption during the certification period on November 1, 2025. This new FRA policy requires that if an exemption is lost during the certification period, the member must be screened for all exemptions before they can be subject to the FoodShare work requirement. Wisconsin will complete this required screening at the member’s next interview.

H.R. 1, which was signed into law on July 4, 2025, increased the upper age limit for ABAWD members who are subject to the FoodShare work requirement to age 64, limited the work requirement exemption for members responsible for a dependent child to those with children age 13 and under, and eliminated work requirement exemptions that were recently implemented under the FRA. As FRA policy requires member screening following the loss of an exemption (before a countable month can be applied), the H.R. 1 ABAWD changes are not effective for ongoing members until the month following their next renewal.

Wisconsin implemented the H.R. 1 ABAWD changes November 1, 2025, and used discretionary exemptions to implement these new policies in a way that best meets the needs of applicants and members in Wisconsin. Current federal rules allow states to grant discretionary exemptions from the ABAWD work requirement. These discretionary exemptions are allocated to states each fiscal year for a percentage of members subject to the ABAWD work requirement.

H.R. 1 also included new exemptions for Tribal members and, in limited instances, descendants. [Operations Memo 25-14, Changes to Exemptions and Time Limit Suspensions for FoodShare Work Requirements](#), announced implementation of these new exemptions for Tribal members effective October 1, 2025. At that time, Wisconsin used discretionary exemptions for some Tribal members.

Additional Wisconsin ABAWD policy details, including the complete list of qualifying exemptions from the FoodShare work requirement, are available in the [FoodShare Wisconsin Handbook, Section 3.17.1 FoodShare Work Requirements for ABAWDs](#).

POLICY

LOSS OF AN EXEMPTION DURING THE CERTIFICATION PERIOD

Effective November 1, 2025, if an individual loses an exemption during the certification period, the IM agency must not apply countable months until the individual is screened at their next interview for all exemptions to the FoodShare basic work rules and FoodShare work requirements, to determine whether any other exemption applies.

This applies to the loss of every exemption from both the FoodShare basic work rules and the FoodShare work requirement, including the loss of an exemption due to a change in legislation. Meeting the 80-hour work requirement is not considered an exemption from the FoodShare work requirement. The IM agency must begin applying countable months if an ABAWD is no longer meeting the 80-hour work hour requirement.

However, a member is considered exempt from the FoodShare basic work rules if they are an employed or self-employed person working 30 or more hours per week or earning wages equivalent to 30 or more hours per week at the federal minimum wage. If a member is no longer working 30 or more hours per week or earning wages equivalent to 30 or more hours per week at the federal minimum wage, the IM agency must not apply countable months until the individual is screened at their next interview for all exemptions to the FoodShare basic work rules and FoodShare work requirement, to determine whether any other exemption applies.

Example 1: Brandon is an ABAWD meeting the FoodShare work requirement by working 25 hours per week at a local factory. Brandon worked fewer shifts in June and called his IM agency July 2nd to report that his hours dropped below 80 hours per month. During the call, the IM worker explored potential good cause or qualifying exemptions with Brandon, but Brandon's reasons for reducing his hours did not qualify for either an exemption or good cause. Brandon continues to be subject to the work requirement and will accrue countable months because he was determined to be an ABAWD at his most recent interview and does not have an exemption or good cause.

Example 2: As part of her household's October interview, Emily was determined to be exempt from the FoodShare basic work rules due to working 32 hours per week. In January, Emily's employer told her that they were downsizing and only needed her to work 16 hours per week moving forward. Emily reported this change, as her household may be entitled to a higher benefit. A basic work rules sanction will not be applied, as Emily did not reduce her hours voluntarily. Due to the new loss of an exemption policy, Emily cannot be newly determined to be an ABAWD during the certification period. Emily cannot be subject to the FoodShare work requirement, including accruing a countable month, until she is rescreened for all exemptions at her next interview.

ORAL EXPLANATION OF APPLICABLE WORK REQUIREMENT

Due to the new FRA policy, the IM agency is not required to provide an [oral explanation of the work requirements](#) when member has a clear change in circumstance during their certification period and loses the exemption.

There is no change to current policy requiring the IM agency to provide the oral explanation of work requirements as part of each interview or when a new household member is added and is subject to the FoodShare basic work rules and/or work requirement.

HR 1 CHANGES TO FOODSHARE WORK REQUIREMENT EXEMPTIONS

CHANGE TO UPPER LIMIT FOR ABAWD AGE RANGE

Effective November 1, 2025, ABAWDs without an exemption are subject to a work requirement if age 18 to 64.

Effective December 1, 2025, as of their application or next renewal, ABAWD members age 55 through 59 are no longer eligible to receive discretionary exemptions. New applicants in this age range are subject to the FoodShare work requirement in their first full month of benefits, and ongoing members are subject to the work requirement the month following their renewal month.

Effective March 1, 2026, as of their application or next renewal, ABAWD members age 60-64 are no longer eligible to receive discretionary exemptions. The H.R. 1 ABAWD age range increase for those age 60-64 and change to the discretionary exemption policy will apply to:

- New ABAWD applicants or ABAWD members who lose eligibility and reapply with a filing date on or after March 1, 2026.
- Ongoing ABAWD members on the month following their next renewal month, beginning with those with a renewal due March 31, 2026.

Individuals age 60 and older may be exempt from the FoodShare work requirement based on meeting the criteria for a FoodShare basic work rules exemption, such as receipt of unemployment compensation. Individuals age 60 and older are not subject to the FoodShare basic work rules but are not considered exempt from the basic work rules due to their age. As a result, members who are age 60 to 64 are not subject to basic work rules but are subject to the work requirement.

FoodShare applicants and members who are considered “elderly” (age 60 and older) remain eligible for 36-month certification periods if they meet criteria provided in [FoodShare Handbook 2.2.1.2 36-Month Certification Period](#).

At renewal, food units with a 36-month certification period may not be required to complete an interview. Currently, an interview is required if there are pending verifications, questionable information on the case at renewal, or if the food unit no longer meets the eligibility criteria to have a 36-month certification period. Due to the expansion of the upper age range for the FoodShare work requirement to age 64, beginning March 1, 2026, food units with a 36-month certification period must also complete an interview if a household member is within the ABAWD age range.

CHANGE TO EXEMPTION FOR CHILD IN THE HOME

Effective November 1, 2025, the ABAWD exemption for applicants and members residing in a food unit with a dependent child is limited only to those with a dependent child age 13 and under. ABAWD members without another exemption will be subject to a work requirement at application or their next renewal if they do not have a dependent child age 13 and under in the home.

Effective December 1, 2025, ABAWD members whose only child(ren) in their home are age 14 through 17, are no longer eligible to receive discretionary exemptions. New applicants who meet these criteria are subject to the FoodShare work requirement in their first full month of benefits, and ongoing members are subject to the work requirement the month following their renewal month.

ELIMINATION OF FRA EXEMPTIONS

Effective November 1, 2025, the following exemptions from the FoodShare work requirement for the following groups are no longer in effect:

- People who are experiencing homelessness.
- People who are veterans.
- People who are Former Foster Care Youth (FFCY), including any person who is 18 to 24 years old and was previously in a foster care program at the time they turned 18 years old.

Effective November 1, 2025, the IM worker may deem an individual exempt from the FoodShare work requirement if it is obvious that they are physically or mentally unfit for employment due to experiencing chronic homelessness. Homelessness itself is no longer an exemption, and homelessness in the absence of chronic homelessness does not meet the criteria for deeming an individual physically or mentally unfit for work. Chronic homelessness is defined in the [Updates and Clarifications to Unfit Work Exemption](#) section.

Effective March 1, 2026, people who are veterans and people who are FFCY will no longer be eligible to receive a discretionary exemption. The H.R. 1 elimination of exemptions for veterans and FFCY and the change to the discretionary exemption policy will apply to:

- New ABAWD applicants or ABAWD members who lose eligibility and reapply with a filing date on or after March 1, 2026.
- Ongoing ABAWD members on the month following their next renewal month, beginning with those with a renewal due March 31, 2026.

NEW H.R. 1 FOODSHARE WORK REQUIREMENT EXEMPTIONS

TRIBAL MEMBER

Effective October 1, 2025, a person is eligible for the new H.R. 1 exemptions for Tribal members and in limited instances, descendants of a Tribal member, if they are a member of an American Indian Tribe or Alaska Native Village or group, an Urban Indian, or California Indian. Wisconsin also began using discretionary exemptions for Tribal members living beyond Tribal reservation areas.

Under federal law, an Indian Tribe is defined as any Indian Tribe, band, nation, or other organized group or community, including any Alaska Native village or group or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

Effective March 1, 2026, FoodShare members who are Tribal members and eligible for receipt of discretionary exemptions due to living beyond a Tribal reservation area, will continue to be exempt through the use of discretionary exemptions until their next renewal. As part of their next renewal interview, these members will be screened to confirm that they qualify for an exemption or continued exemption as a Tribal member, Urban Indian, or California Indian.

ABAWD applicants and members who are part of a household with an applicant or member who is a Tribal member will continue to have their time limit suspended through discretionary exemptions.

URBAN INDIAN

A person meets the definition of an “Urban Indian” if they reside in an urban center and meet at least one of the following four criteria:

- Regardless of whether they live on or near a reservation, is a member of a tribe, band, or other organized group of Indians, including those tribes, bands, or groups terminated since 1940 and those recognized now or in the future by the State in which they reside, or who is a descendant, in the first or second degree of any such member;
- Is an Eskimo or Aleut or other Alaska Native,
- Is determined to be an Indian for any purpose under regulations promulgated by the Secretary of Interior; or
- Is determined to be an Indian under regulations promulgated by the Secretary of Health and Human Services.

At the time of publication of this memo, Wisconsin’s only urban centers are located in Milwaukee and Greenfield. An “urban center” is defined as any community which has a sufficient urban Indian population with unmet health needs to warrant assistance under subchapter IV of the Indian Health Care Improvement Act, as determined by the Secretary of Health and Human Services.

CALIFORNIA INDIAN

A person meets the definition of a “California Indian” if they:

- Are a member of a federally recognized Indian tribe;
- Are a descendant of an Indian who was residing in California on June 1, 1852, if such descendant
 - Is a member of the Indian community served by a local program of the Indian Health Service; and
 - Is regarded as an Indian by the community in which such descendant lives;
- Are an Indian who holds trust interests in public domain, national forest, or reservation allotments in California; or
- Are an Indian of California who is listed on the plans for distribution of the assets of rancherias and reservations located within the State of California under the Act of August 18, 1958, and any descendant of such an Indian.

UPDATES AND CLARIFICATIONS TO UNFIT FOR WORK EXEMPTION

PHYSICALLY UNFIT FOR WORK WILL INCLUDE CHRONICALLY HOMELESS

Effective November 1, 2025, the IM agency may deem an individual exempt from the FoodShare work requirement if it is obvious that they are physically or mentally unfit for employment due to experiencing chronic homelessness. A person is chronically homeless if they currently lack a fixed, regular nighttime residence and do not expect to have a regular nighttime residence in the next 30 days. Lacking a fixed, regular nighttime residence includes people who are in a temporary housing situation, such as transitional living arrangements and shelters, and applicants and members staying temporarily (up to 90 days) at another person’s residence.

If an individual reports that they are currently homeless, the IM worker must screen for chronic homelessness as part of the FoodShare interview.

TEMPORARY AND PERMANENT DISABILITY PAYMENTS

A person who is receiving temporary or permanent disability benefits from the government or a private source qualifies as physically or mentally unfit for work and is exempt from the FoodShare work requirement.

Effective November 1, 2025, this policy is further clarified to establish that a person who is receiving temporary or permanent disability benefits from the government or a private source qualifies for the unfit exemption, regardless of the level of payment or percentage of disability. Examples of disability payments that qualify for the unfit exemption include Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), Veteran's Disability Benefits, Railroad Retirement, Workers Compensation, or private disability payments.

Example: Leroy is a 48-year-old Veteran and at his May renewal interview, he reports a monthly disability payment from the Department of Veterans Affairs (VA) based on his 30% disability rating. The IM worker documents Leroy's Veteran's benefits on the Unearned Income page and the FoodShare Work Registrant/ABAWD Information page. Leroy does not qualify as a disabled Veteran for the purposes of the FoodShare excess medical deduction or extended 36-month certification period because his disability is not rated as total or paid as total by the VA. Leroy also no longer qualifies for an exemption from the FoodShare work requirement based on his status as a Veteran. However, Leroy qualifies as exempt from the FoodShare work requirement under the unfit for work exemption, as his Veteran's disability payment is sufficient to demonstrate that he is unfit for employment.

ADDITIONAL CLARIFICATIONS

Current exemption policy provides examples of mental health issues sufficient for the IM worker to deem the individual as unfit for work. This policy is further clarified to include additional examples:

- Temporary illness or injury such as a broken bone or recovery time following a surgery.
- Long-term illness such as arthritis, diabetes, or major depression.
- Significant difficulty concentrating, remembering, or making decisions due to a physical or mental health condition.
- Serious difficulty walking or climbing stairs.

UPDATE TO FOODSHARE BASIC WORK RULES EXEMPTION FOR HALF-TIME ENROLLMENT IN ANY RECOGNIZED SCHOOL, TRAINING PROGRAM, OR INSTITUTION OF HIGHER EDUCATION

A person who is a student enrolled at least half-time in a recognized school, training program, or institution of higher education is exempt from the FoodShare basic work rules and the FoodShare work requirement. Effective March 1, 2026, this policy is further clarified to specify that students who report enrollment in a school, training program, or institution of higher education qualify for the exemption from the FoodShare basic work rules, and therefore the FoodShare work requirement, only if all of the following criteria are met:

- The program is state or federally recognized.
- Attendance is required, including virtual attendance.
- They are actively participating in the school or training beyond receipt of support services.
- They are enrolled at least half time based on school or program's criteria.

An individual in high school or a General Education Development (GED) or High School Equivalency Diploma (HSED) program that meets the criteria above is exempt from the FoodShare basic work rules and the FoodShare work requirement regardless of FSET program participation.

An individual in a Refugee Employment Training program administered by the Wisconsin Department of Children and Families meets the above criteria and is exempt from the FoodShare basic work rules and the FoodShare work requirement.

DEFINITION OF HOMELESSNESS FOR FOODSHARE

Effective March 1, 2026, the definition of homelessness for the FoodShare program is expanded under the FRA final rule to include someone who will imminently lose their nighttime residence. An individual is at imminent risk of losing their nighttime residence if they will lose their residence within 30 calendar days, have no subsequent residence identified, and they lack the resources needed to obtain other permanent housing.

Homelessness will continue to include applicants and members who are in a temporary housing situation, such as transitional living arrangements and shelters, and applicants and members staying temporarily (up to 90 days) at another person's residence.

EXEMPTION VERIFICATIONS

To reduce administrative burden on applicants, members, and IM agencies, the IM agency must accept an applicant's or member's self-attestation that they meet an exemption from the FoodShare basic work rules or FoodShare work requirement, unless the information is considered questionable. Any determination that information about an exemption is questionable must be made on a case-by-case basis. In most instances, self-attestation is sufficient to confirm an individual meets an exemption.

Any information received from the FSET agency to assist in the determination of an exemption must be considered verified upon receipt.

In the limited instances where an IM worker determines information on an exemption is questionable, they must document in case comments the case-specific rationale for why the information is considered questionable.

VERIFICATION OF HALF-TIME PARTICIPATION IN A SCHOOL OR TRAINING PROGRAM

If an ABAWD applicant or member's self-attestation of half-time participation in a school or training program is deemed questionable, acceptable verification sources include, but are not limited to:

- School or training program registration record.
- Report card
- Collateral contact with school or training program authorities
- Current school or training program schedule
- Enrollment letters
- Financial aid papers
- Literature from the school or training program (brochure or online program information)
- Collateral contact with Job Center of Wisconsin, FSET, or an employment agency

If an ABAWD applicant or member's self-attestation of enrollment in a refugee employment training program is deemed questionable, acceptable verification sources include, but are not limited to:

- Collateral contact or written statement from the refugee employment services program provider or resettlement agency
- Current refugee employment services program schedule
- Refugee Cash Assistance (RCA) Rights and Responsibilities Agreement
- RCA Employability Plan
- Literature from the refugee employment services program (brochure or online program information)
- Other acceptable written statement or documentation

UPDATES TO CURRENT FOODSHARE INTERVIEW REQUIREMENTS

SCREENING FOR EXEMPTIONS

IM workers must screen for all exemptions from the FoodShare basic work rules and all exemptions from the FoodShare work requirements as part of each FoodShare interview. The IM worker must document completion of exemption screening in the case file. If a potential exemption is identified, but not applied to the case, the worker must document their rationale in the case file.

Example 3: Janet reports that she has recently been diagnosed with psoriatic arthritis, and after further discussion Janet shared that she has found relief through treatment and is able to maintain her data entry job. Because Janet is able to work 80 or more hours consistently each month, Janet's IM worker determined that she does not qualify for an exemption at this time. Janet's IM worker reminded her that if her work hours ever drop below 80 due to her arthritis, she can report good cause hours or an exemption, including if this medical condition, or a different one, is preventing her from meeting the work requirement. Janet's IM worker documents completion of the exemption screening, including their discussion of Janet's arthritis and rationale for not granting an exemption due to her being able to work at this time.

TREATMENT OF MULTIPLE EXEMPTIONS

In instances when an individual qualifies for more than one exemption, the IM worker must document all qualifying exemptions in the case file.

PROMPT ACTION ON NEW EXEMPTIONS REPORTED DURING THE CERTIFICATION PERIOD

Effective March 1, 2026, IM workers must act on all exemptions from the FoodShare work requirement reported during the certification period as soon as possible and no later than the 10th day after any exemption is reported.

IM WORKER RESPONSIBILITY FOR VERIFICATION OF EXEMPTIONS DEEMED QUESTIONABLE

Effective March 1, 2026, if a reported exemption is determined to be questionable, IM workers must first attempt to verify the exemption using data exchanges or any other information available to the IM agency before requiring the individual to provide another source of verification. Before requesting verification from the individual, the IM worker must document in the case file their attempts to use all information available to the IM agency to verify any exemptions deemed questionable.

If a new exemption is reported and deemed questionable during the certification period and the IM worker cannot verify the exemption without contacting the household, then the IM worker must follow the unclear information policy at [FoodShare Handbook Section 1.2.7 Unclear Information](#). If the information does not meet the criteria for a request for verification, the IM agency must send a courtesy letter to encourage the household to provide verification of the newly reported exemption.

CONTACTS

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