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First Look: Reconciliation Provisions Would Shift Federal SNAP Costs to States

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Summary

The House of Representatives has passed the “One Big Beautiful Bill Act,” which includes significant changes to nutrition programs. In total, these changes are projected to generate \$295 billion in federal savings over 10 years, primarily through modifications to the Supplemental Nutrition Assistance Program (SNAP). Notable among the changes are proposals requiring states to pay a portion of the cost of SNAP benefits and increasing the state match rate for administrative costs. These provisions could shift \$8.2 billion to \$27 billion in federal costs to states annually.

This *Issue Brief* summarizes the SNAP changes and provides state estimates of the two provisions that would shift costs to states.

Matching Requirement Proposals

Benefits

Under current law, SNAP benefits are fully federally funded. The proposal would require all states to contribute at least 5% of the cost of total SNAP benefits beginning in fiscal year (FY) 2028. Additionally, contribution rates would increase based on a state’s SNAP error rate. Error rates are based on the accuracy of each state’s eligibility and benefit determinations. The table below summarizes the proposed cost share for various error rates.

Error Rate	State Cost Share
0-5.99%	5%
6-7.99%	15%
8-9.99%	20%
10% or more	25%

[Table 1](#) at the end of this brief estimates the state impact of this proposal. States would pay between \$4.7 billion annually (if all states contributed the 5% minimum) and \$23.5 billion annually (if all states contributed 25%). Puerto Rico, American Samoa, and the Northern Mariana Islands do not receive SNAP benefits and instead receive annual block grants, which the bill does not change.

As shown on [Table 2](#), 25 states, the District of Columbia, the Virgin Islands, and Guam all had error rates greater than 10% in 2023, while only seven had error rates less than 6%. The table below lists states whose error rate was greater than 10% in 2023.

States/Territories with Error Rates Greater than 10% in 2023

Alaska	Missouri
Arizona	New Hampshire
California	New Jersey
Delaware	New Mexico
District of Columbia	New York
Florida	Oklahoma
Georgia	Oregon
Hawaii	Pennsylvania
Indiana	Rhode Island
Kansas	South Carolina
Maine	Tennessee
Maryland	West Virginia
Michigan	Virgin Islands
Mississippi	Guam

Administrative Costs

While states do not currently pay for benefits, they do run the program and receive a 50% federal match for administrative costs. The proposal would decrease the federal share from 50% to 25%, requiring states to pay 75% of SNAP administrative costs, with changes becoming effective upon enactment of the bill. [Table 3](#) summarizes the increase in administrative costs each state would have to pay under this proposal. States would be required to provide more than \$3.5 billion in additional administrative costs each year.

Other Provisions

The House bill includes several additional SNAP provisions. These include:

- **Adjustments to the Thrifty Food Plan (TFP)** – The TFP determines the SNAP benefit allotment made to families. Currently, adjustments can be made to the TFP every five years based on reevaluations of the market baskets of current food prices, food composition data, consumption patterns, and dietary guidance. Instead, the bill only allows annual adjustments to the TFP on October 1 based on the Consumer Price Index for All Urban Consumers.
- **Able Bodied Adults Without Dependents (ABAWD) Work Requirements** – The bill:
 - Expands the ABAWD work requirement age to 64 (from 54)
 - Narrows the work requirement exemption for caregivers and parents by changing the definition of “dependent child” from under 18 years of age to under 7
 - Carves out an exception to work requirements for a married person responsible for a child 7 years of age or older and residing with an individual who complies with SNAP work requirements
- **ABAWD Waivers** – The bill restricts the Secretary of Agriculture’s authority to issue exemptions from the ABAWD work requirement to a county or county equivalent with an unemployment rate of more than

10%. Currently, the secretary may also grant waivers when an area does not have a sufficient number of jobs.

- **Low Income Home Energy Assistance Program (LIHEAP) Payments in Determining SNAP Benefits** – The bill limits the use of payments of \$20 or more from LIHEAP to automatically qualify for the standard utility allowance in determining SNAP benefit amounts to households with elderly or disabled members. Currently, all households qualify.
- **Household Internet Costs in Determining SNAP Benefits** – The bill forbids the use of household internet costs from being used in computing the excess shelter expense deduction for SNAP benefits.
- **SNAP Work Requirement Age** – The bill changes the general SNAP work requirement age from 16-59 to 18-64.
- **Multiple Issuances of SNAP Benefits** – The bill requires state agencies to implement federal data clearinghouse systems and to use indications of multiple issuances of SNAP benefits to prevent similar cases under other federal and state assistance program benefits.
- **Zero Tolerance for SNAP Errors** – The bill eliminates the current tolerance threshold, which excludes small errors from the calculation of state payment rates (currently set at \$56 and adjusted annually).
- **Elimination of the National Education and Obesity Prevention Grant Program** – In FY 2024, states received \$524 million to provide nutrition education and obesity prevention services to eligible individuals.
- **Citizenship Requirements for SNAP Eligibility** – The provision limits SNAP benefits to individuals who reside in the United States and are citizens or lawful permanent residents, resulting in several categories of lawfully present non-citizens losing eligibility.
- **The Emergency Food Assistance Program (TEFAP)** – The provision extends \$4 million annually in mandatory funding through FY 2031 to carry out federal projects aimed at reducing food waste, providing food to individuals in need, and building relationships in agriculture.

The federal savings from the various SNAP provisions and one TEFAP provision are summarized below. Except for the cost share for SNAP benefits, all provisions would become effective upon enactment of the bill.

House Reconciliation SNAP Provisions
(\$ in millions)

Section	Provision	Federal Savings
10006	Benefit Cost Share Requirements	\$128,300
10002-3	ABAWD Work Requirements and Waivers	92,460
10001	Adjustments to the Thrifty Food Plan	36,800
10007	Administrative Costs Matching Requirement	27,357
10005	Limiting Internet Costs in Determining Benefit Allotments	10,980
10009	Indication of Multiple Issuances of Benefits	7,402
10004	Limiting LIHEAP Payments in Determining Benefit Allotments	5,940
10011	Elimination of National Education and Obesity Prevention Grant Program	5,470
10012	SNAP Eligibility Citizenship Requirements	3,902
10010	Zero Tolerance Level for SNAP Errors	80
10008	General Work Requirement Age	0
10013	TEFAP	-28
	Total	\$294,643

Next Steps

The House has approved the reconciliation package, and it now moves to the Senate for consideration. Assuming Senate passage, a conference committee may be called to resolve any differences between House and Senate versions of the package, after which the final bill will be sent to the president for signature. Congressional leadership has set a goal of enactment by July 4.

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[Back to Text](#)**Table 1****State Share of SNAP Benefits Based on Error Rate Percentages**

(\$ in thousands)

State	FY 2024 Benefits	State Share of Benefit Costs			
		5% match (< 6% error rate)	15% match (6%-7.99% error rate)	20% match (8%-9.99% error rate)	25% match (10% or more error rate)
Alabama	\$1,733,694	\$86,685	\$260,054	\$346,739	\$433,423
Alaska	250,803	12,540	37,620	50,161	62,701
Arizona	2,015,194	100,760	302,279	403,039	503,799
Arkansas	549,666	27,483	82,450	109,933	137,417
California	12,377,175	618,859	1,856,576	2,475,435	3,094,294
Colorado	1,303,173	65,159	195,476	260,635	325,793
Connecticut	892,820	44,641	133,923	178,564	223,205
Delaware	254,854	12,743	38,228	50,971	63,714
District of Columbia	319,119	15,956	47,868	63,824	79,780
Florida	6,604,797	330,240	990,720	1,320,959	1,651,199
Georgia	3,276,442	163,822	491,466	655,288	819,110
Hawaii	731,331	36,567	109,700	146,266	182,833
Idaho	281,230	14,062	42,185	56,246	70,308
Illinois	4,469,342	223,467	670,401	893,868	1,117,335
Indiana	1,434,112	71,706	215,117	286,822	358,528
Iowa	528,905	26,445	79,336	105,781	132,226
Kansas	408,410	20,421	61,262	81,682	102,103
Kentucky	1,150,201	57,510	172,530	230,040	287,550
Louisiana	1,902,468	95,123	285,370	380,494	475,617
Maine	363,839	18,192	54,576	72,768	90,960
Maryland	1,498,979	74,949	224,847	299,796	374,745
Massachusetts	2,617,667	130,883	392,650	523,533	654,417
Michigan	3,061,362	153,068	459,204	612,272	765,340
Minnesota	856,342	42,817	128,451	171,268	214,086
Mississippi	842,267	42,113	126,340	168,453	210,567
Missouri	1,512,571	75,629	226,886	302,514	378,143
Montana	169,447	8,472	25,417	33,889	42,362
Nebraska	331,710	16,586	49,757	66,342	82,928
Nevada	1,006,690	50,334	151,003	201,338	251,672
New Hampshire	154,255	7,713	23,138	30,851	38,564
New Jersey	1,925,845	96,292	288,877	385,169	481,461
New Mexico	1,028,091	51,405	154,214	205,618	257,023
New York	7,353,984	367,699	1,103,098	1,470,797	1,838,496
North Carolina	2,936,249	146,812	440,437	587,250	734,062
North Dakota	111,449	5,572	16,717	22,290	27,862
Ohio	3,177,572	158,879	476,636	635,514	794,393
Oklahoma	1,506,223	75,311	225,933	301,245	376,556
Oregon	1,596,585	79,829	239,488	319,317	399,146
Pennsylvania	4,268,082	213,404	640,212	853,616	1,067,020
Rhode Island	343,484	17,174	51,523	68,697	85,871
South Carolina	1,293,585	64,679	194,038	258,717	323,396
South Dakota	180,196	9,010	27,029	36,039	45,049
Tennessee	1,623,231	81,162	243,485	324,646	405,808
Texas	7,210,896	360,545	1,081,634	1,442,179	1,802,724
Utah	382,660	19,133	57,399	76,532	95,665
Vermont	147,197	7,360	22,080	29,439	36,799
Virginia	1,765,641	88,282	264,846	353,128	441,410
Washington	1,920,375	96,019	288,056	384,075	480,094
West Virginia	565,648	28,282	84,847	113,130	141,412
Wisconsin	1,363,922	68,196	204,588	272,784	340,980
Wyoming	56,702	2,835	8,505	11,340	14,175
Virgin Islands	70,458	3,523	10,569	14,092	17,614
Guam	119,036	5,952	17,855	23,807	29,759
Total	\$93,845,973	\$4,692,299	\$14,076,896	\$18,769,195	\$23,461,493

Source for FY 2024 Benefits: USDA Food and Nutrition Service

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Table 2
State Benefits Cost Share Based on Error Rates

	Based on 2023 Error Rate	Based on 10-Year Average	Based on Pre-COVID (2010-2019) Average	Based on Lowest Error Rate in the Last 10 Years
Alabama	15%	5%	5%	5%
Alaska	25%	25%	5%	5%
Arizona	25%	15%	15%	5%
Arkansas	20%	15%	5%	5%
California	25%	15%	5%	5%
Colorado	20%	5%	5%	5%
Connecticut	20%	15%	15%	5%
Delaware	25%	20%	15%	5%
District of Columbia	25%	25%	20%	5%
Florida	25%	5%	5%	5%
Georgia	25%	15%	5%	5%
Hawaii	25%	15%	5%	5%
Idaho	5%	5%	5%	5%
Illinois	20%	15%	5%	5%
Indiana	25%	15%	5%	5%
Iowa	5%	15%	15%	5%
Kansas	25%	5%	5%	5%
Kentucky	15%	5%	5%	5%
Louisiana	15%	5%	5%	5%
Maine	25%	20%	15%	5%
Maryland	25%	20%	5%	5%
Massachusetts	20%	5%	5%	5%
Michigan	25%	15%	15%	5%
Minnesota	15%	15%	15%	5%
Mississippi	25%	5%	5%	5%
Missouri	25%	15%	5%	5%
Montana	15%	15%	15%	5%
Nebraska	15%	5%	5%	5%
Nevada	15%	15%	15%	5%
New Hampshire	25%	15%	5%	5%
New Jersey	25%	15%	5%	5%
New Mexico	25%	15%	15%	5%
New York	25%	15%	5%	5%
North Carolina	20%	15%	5%	5%
North Dakota	20%	5%	5%	5%
Ohio	15%	5%	5%	5%
Oklahoma	25%	15%	5%	5%
Oregon	25%	20%	5%	5%
Pennsylvania	25%	15%	5%	5%
Rhode Island	25%	25%	25%	5%
South Carolina	25%	5%	5%	5%
South Dakota	5%	5%	5%	5%
Tennessee	25%	15%	5%	5%
Texas	15%	5%	5%	5%
Utah	5%	5%	5%	5%
Vermont	5%	5%	15%	5%
Virginia	20%	15%	5%	5%
Washington	15%	5%	5%	5%
West Virginia	25%	15%	15%	5%
Wisconsin	5%	5%	5%	5%
Wyoming	5%	5%	5%	5%
Virgin Islands	25%	5%	5%	5%
Guam	25%	25%	15%	5%

Source: House Committee on Agriculture

https://agriculture.house.gov/uploadedfiles/holding_states_accountable.pdf

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Table 3
State SNAP Administrative Costs
(\$ in thousands)

	State Administrative Costs			
	FY 2024 Total Administrative Costs*	Current 50% Cost Share Requirement	Proposed 75% Cost Share Requirement	Increased State Costs
Alabama	\$159,032	\$79,516	\$119,274	\$39,758
Alaska	24,204	12,102	18,153	6,051
Arizona	186,196	93,098	139,647	46,549
Arkansas	148,682	74,341	111,512	37,171
California	3,529,256	1,764,628	2,646,942	882,314
Colorado	242,878	121,439	182,159	60,720
Connecticut	212,424	106,212	159,318	53,106
Delaware	64,000	32,000	48,000	16,000
District of Columbia	79,094	39,547	59,321	19,774
Florida	235,612	117,806	176,709	58,903
Georgia	316,556	158,278	237,417	79,139
Hawaii	86,286	43,143	64,715	21,572
Idaho	24,234	12,117	18,176	6,059
Illinois	447,100	223,550	335,325	111,775
Indiana	213,724	106,862	160,293	53,431
Iowa	55,178	27,589	41,384	13,795
Kansas	78,962	39,481	59,222	19,741
Kentucky	267,308	133,654	200,481	66,827
Louisiana	225,658	112,829	169,244	56,415
Maine	43,740	21,870	32,805	10,935
Maryland	272,818	136,409	204,614	68,205
Massachusetts	254,640	127,320	190,980	63,660
Michigan	339,362	169,681	254,522	84,841
Minnesota	221,582	110,791	166,187	55,396
Mississippi	77,810	38,905	58,358	19,453
Missouri	203,536	101,768	152,652	50,884
Montana	33,648	16,824	25,236	8,412
Nebraska	69,724	34,862	52,293	17,431
Nevada	100,676	50,338	75,507	25,169
New Hampshire	26,116	13,058	19,587	6,529
New Jersey	489,652	244,826	367,239	122,413
New Mexico	85,234	42,617	63,926	21,309
New York	1,064,104	532,052	798,078	266,026
North Carolina	384,968	192,484	288,726	96,242
North Dakota	35,848	17,924	26,886	8,962
Ohio	391,466	195,733	293,600	97,867
Oklahoma	160,920	80,460	120,690	40,230
Oregon	473,350	236,675	355,013	118,338
Pennsylvania	581,794	290,897	436,346	145,449
Rhode Island	63,038	31,519	47,279	15,760
South Carolina	98,112	49,056	73,584	24,528
South Dakota	30,358	15,179	22,769	7,590
Tennessee	309,158	154,579	231,869	77,290
Texas	459,698	229,849	344,774	114,925
Utah	59,266	29,633	44,450	14,817
Vermont	33,570	16,785	25,178	8,393
Virginia	494,102	247,051	370,577	123,526
Washington	351,220	175,610	263,415	87,805
West Virginia	53,402	26,701	40,052	13,351
Wisconsin	216,420	108,210	162,315	54,105
Wyoming	28,122	14,061	21,092	7,031
Virgin Islands	11,834	5,917	8,876	2,959
Guam	7,642	3,821	5,732	1,911
Total	\$14,123,314	\$7,061,657	\$10,592,486	\$3,530,829

Source for Current Share Requirement: Analytical Perspectives, Budget of the United States Government, Fiscal Year 2025

* Total administrative costs include funding for the Nutrition Education and Obesity Prevention Grant Program (\$524 million in FY 2024) and Employment and Training (\$663 million in FY 2024).

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