



SUMMARY OF CHANGES TO SNAP IN RECONCILIATION (H.R. 1)

OVERVIEW

H.R. 1, the final budget reconciliation package passed on July 4, 2025 and known informally as the One Big Beautiful Bill Act, will make nearly \$200 billion in cuts to SNAP over the next ten years, the largest cuts in the program's history. Moreover, the changes are permanent, so the effects will be felt far beyond the ten-year budget window. The bill includes numerous damaging provisions that will put millions of Americans at risk of losing their SNAP benefits. Most critically, the harmful structural changes that shift significant costs to states could threaten SNAP's future by straining state budgets and forcing difficult decisions in order to continue the program, especially during recessions or after disasters that cause eligibility to rise while state revenue falls.

SUMMARY

The provisions of the bill related to SNAP will:

- **For the first time, force many states to pay for a share of SNAP benefits** depending on their SNAP payment error rate. The federal government has always fully covered the cost of SNAP benefits for all eligible participants. Forcing states to cover SNAP benefit costs will severely limit the program's ability to serve all eligible participants, especially when the economy falters and need grows.

Effective date: FY 2028 (October 1, 2027) with exemptions possible for FY 2028 and/or FY 2029

- States will be required to provide:
 - **0%** of benefit costs for payment error rate <**6%**
 - **5%** of benefit costs for an error rate of **6-8%**
 - **10%** of benefit costs for an error rate of **8-10%**
 - **15%** of benefit costs for an error rate **≥10%**

While these percentages may seem modest, they represent a significant portion of state budgets, with estimates for larger states exceeding a billion dollars.

- The benefit cost share will be based on the payment error rate data from the third preceding fiscal year.
 - For example, the FY 2030 benefit cost share that would take effect on October 1, 2029 would be based on the payment error rate data from FY 2027 (October 1, 2026 – September 30, 2027), which would be released in June 2028.
 - An exception is the first year of implementation, FY 2028, when states may choose either the FY 2025 or FY 2026 payment error rate data.

- States will be temporarily exempted:
 - For FY 2028 if they have a high error rate* in FY 2025.
 - For FY 2029 if they have a high error rate* in FY 2026.

**High error rate means an error rate multiplied by 1.5 that is 20% or higher, or roughly 13.34% or higher.*

Note: Although states may choose to use their payment error rate for FY 2026 to set the benefit cost share for FY 2028, a high error rate in FY 2026 but not FY 2025 would only exempt the state from the benefit cost share in FY 2029, not FY 2028.
- The [Congressional Budget Office \(CBO\) estimates](#) that, over the 10-year budget window through FY 2034, this will cut federal spending on SNAP by more than \$40 billion as states take on costs and implement measures to reduce participation.

The **payment error rate** includes both under-payments and over-payments that exceed the tolerance level (currently \$58). The USDA is clear that the [payment error rate is *not* a fraud rate](#). Errors are mostly due to mistakes by administering agency or recipients as they navigate complex rules around counting income from various sources and certain expenses for deductions. Intentional fraud is a very small piece of the payment error rate. Agencies are expected to detect and recover over-payments made to households regardless of the reason so that only eligible participants receive benefits and all participants receive the correct benefit amount. State agencies must implement a corrective action plan if their error rate exceeds quality control standards and pay significant penalties if the error rate remains elevated for two years.

- **Force states to pay for 75% of SNAP administrative costs, up from the current 50% administrative funding match.**

Effective date: FY 2027 (October 1, 2026)

- The [CBO estimates](#) that this will cost states nearly \$25 billion through FY 2034.
- Having to pay a greater share of administrative costs on top of the benefit cost share will make it challenging for states to invest in their workforce or technology to improve their payment error rate.

The bill does *not* eliminate **Broad-Based Categorical Eligibility (BBCE)** directly or change BBCE policy, but states may be forced to scale back or end BBCE to reduce eligibility and benefit costs. **BBCE** is a set of administrative streamlining options that states can choose to adopt to streamline SNAP eligibility rules with TANF or other state-run social service programs funded by TANF. It allows for slightly higher *gross* income limits as long as *net* income is below the SNAP eligibility threshold.

- **Limit future updates to the Thrifty Food Plan (TFP)**, the basis for calculating SNAP benefits, to being cost neutral.

Effective date: The next benefit change based on a TFP update would have taken effect in FY 2027 (October 1, 2026) but the law delays the next TFP update to no earlier than October 1, 2027

- This means that future SNAP benefit increases will be based on inflation alone and may not keep up with the true cost of a nutritious diet considering food availability, nutrition guidance, shopping and food preparation behaviors, etc.
- The law also limits USDA discretion in making benefit adjustments based on household size.
- The [CBO estimates](#) this will cut future SNAP benefits by \$37 billion over ten years, reflecting two missed benefit adjustments for the true cost of a basic healthy diet.

The bill does *not* directly change Summer EBT or even name it, but the changes to the Thrifty Food Plan (TFP) revision process and limitation on future SNAP benefit adjustments will have an indirect impact on future Summer EBT benefits. Summer EBT benefits will continue to be adjusted annually based on inflation, but because those annual adjustments are tied to SNAP benefits, Summer EBT benefits will not grow as much as they would have. In addition, if families lose access to SNAP, their children will not be automatically enrolled in Summer EBT. Those children will still be eligible but will have to apply for the program, increasing the likelihood that eligible children will not receive this nutrition support.

- **Change work reporting requirements and waivers.**

Effective date: Upon passage, but only limited implementation guidance was provided 62 days later with full implementation expected 120 days after enactment

- For details on the current general and ABAWD work requirements, [see here](#).
- 1) Impose time limits on participation for adults in households with dependent children ages 14 and older for failure to comply with Able-Bodied Adult Without Dependent (ABAWD) work reporting requirements.
 - The children themselves would still be eligible for SNAP regardless of adults' compliance with the ABAWD work reporting requirements, but the household benefit level would be lower since the calculation would not include the adult(s).
 - Caretakers of children (or other household members) with disabilities regardless of age continue to be exempt from both general work requirements and ABAWD work reporting requirements, but states have discretion over how disability status is determined and documented.
 - Caretakers of children under age 6 continue to be exempt from both general work requirements and ABAWD work reporting requirements.
- 2) Increase the age of adults subject to ABAWD work reporting requirements and time limits from 54 to 64 years.
 - The Fiscal Responsibility Act of 2023 (FRA) previously increased the age gradually from 49 to 54.

- 3) Eliminate the ABAWD exemptions instituted by the FRA for veterans, persons experiencing homelessness, and young adults ages 18-24 who aged out of foster care.
 - These were set to end in 2030 under the FRA.
 - Pregnant women, those deemed “medically certified as physically or mentally unfit for employment,” and others exempted from the general work requirements continue to be exempt.
- 4) Add ABAWD work reporting requirement exemption for “Indians, Urban Indians, California Indians, and other Indians who are eligible for the Indian Health Services.”
- 5) Limit state options for ABAWD work reporting requirement waivers. States have used this option to waive work requirements in areas with an insufficient number of jobs, such as in rural areas. The bill limits this option to only being available in areas with an unemployment rate of 10 percent or higher. However, the final version included:
 - An option for USDA to waive ABAWD work reporting requirements in noncontiguous states (i.e. Alaska and Hawaii) that have an unemployment rate ≥ 1.5 times the national average, and
 - An option for USDA to waive, up to December 31, 2028, the ABAWD time limit in noncontiguous states (i.e. Alaska and Hawaii) if the state is making a good faith effort to comply.
- The [CBO estimates](#) this suite of changes will cut \$68.6 billion from SNAP through FY 2034 and reduce average monthly participation by 2.4 million people.
- Expanding work requirements also increases administrative burden, potentially increasing state costs, and may increase the payment error rate as agencies retrain staff and update procedures.

Research consistently shows that **work requirements do not meaningfully increase employment or earnings**, meaning that federal savings come from fewer people participating in SNAP because they drop off rather than keep up with the paperwork, or they become ineligible due to the time limit. The need for SNAP does not decrease -- fewer people in need get help affording adequate food.

- **Limit SNAP eligibility for non-citizens** to legal permanent residents (green card holders), those granted status as Cuban or Haitian entrants, and lawfully residing Compacts of Free Association (COFA) citizens.

Effective date: Upon passage, but no implementation guidance yet provided

- This further restricts already limited eligibility for immigrants with legal status; immigrants without legal status are already ineligible. [See here for more.](#)
- COFA citizens are those from the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.
- The [CBO estimates](#) this will cut SNAP by \$1.9 billion through FY 2034 and reduce average monthly participation by 90,000 people who will lose an average of \$210 in benefits.

- **Limit the “Heat and Eat” linkage between SNAP and the Low-Income Home Energy Assistance Program (LIHEAP)** and limit benefit calculation options based on state energy assistance payments to households with elderly or disabled members only.

Effective date: Upon passage but only limited implementation guidance provided 62 days later with full implementation expected 120 days after enactment

LIHEAP helps eligible families cover heating and cooling expenses. The “Heat and Eat” linkage is a state option that allows households receiving at least \$20 annually in LIHEAP benefits to get the standard utility allowance deduction for the purpose of determining net countable income for eligibility and benefit level determinations.

- Participating in the LIHEAP can streamline the application process for SNAP by standardizing how utility costs are treated in the benefit calculation. In some states, LIHEAP participation also confers categorical eligibility for SNAP.
- Additionally, limiting the exclusion of state energy assistance payments from a household’s income and limiting the inclusion of state energy assistance payments as shelter costs will limit households’ eligibility and benefit levels.
- The [CBO estimates](#) this will cut SNAP benefits by \$5.9 billion through FY 2034.
- Ending the linkage also increases administrative burden, potentially increasing state costs, and may increase the payment error rate as agencies retrain staff and update procedures.

- **Restrict the inclusion of internet costs** in computing the excess shelter expense deduction for the purpose of determining benefit levels as well as in calculating the state’s standard utility allowance.

Effective date: Upon passage but only limited implementation guidance provided 62 days later with full implementation expected 120 days after enactment; additionally, USDA advised states *not* to amend their Standard Utility Allowance calculations to remove internet costs for FY 2026

- Since benefit levels are determined based on the household’s size and net income – gross income minus allowable deductions – some households will receive a lower benefit amount if internet costs are not allowed to be included when determining eligibility for the excess shelter expense deduction.
- The [CBO estimates](#) this will cut SNAP benefits by nearly \$11 billion over the 10-year budget window through FY 2034.

- **Eliminate funding for the National Education and Obesity Prevention Program** for SNAP participants, which funds SNAP Education (SNAP-Ed).

Effective date: FY 2026 (October 1, 2025) though any remaining funds from FY 2025 may continue to be spent

- The [CBO estimates](#) this will eliminate \$5.5 billion in spending over the 10-year budget window through FY 2034.

SNAP-Ed funds a variety of tailored initiatives run by thousands of community organizations nationwide to help individuals eligible for SNAP make healthy choices on a limited budget. Activities include nutrition education and policy and environmental change strategies.

ADDITIONAL INFORMATION

Final Bill

- Final text as passed into law: <https://www.congress.gov/bill/119th-congress/house-bill/1>
- Congressional Budget Office score for the final text: <https://www.cbo.gov/publication/61570>
- Congressional Budget Office Estimated Effects of Public Law 119-21 on Participation and Benefits Under the Supplemental Nutrition Assistance Program: <https://www.cbo.gov/system/files/2025-08/61367-SNAP.pdf>

Senate Documents

- Full text released by the Senate Budget Committee: https://www.budget.senate.gov/imo/media/doc/the_one_big_beautiful_bill_act.pdf
- Congressional Budget Office score for the Senate Budget Committee text: <https://www.cbo.gov/system/files/2025-06/61534-hr0001-Sen-2025Recon-CLB.xlsx>
- Senate Agriculture Committee press released on revised text (includes links to update text, section-by-section summary and summary of change): <https://www.agriculture.senate.gov/newsroom/rep/press/release/chairman-boozman-releases-updated-agriculture-nutrition-and-forestry-budget-reconciliation-text>
- Senate Agriculture Committee text: https://www.agriculture.senate.gov/imo/media/doc/senate_ag_committee_budget_reconciliation.pdf?source=email
- Senate Agriculture Committee section by section summary: https://www.agriculture.senate.gov/imo/media/doc/senate_anf_section_by_section_final.pdf

House Documents

- H.R. 1 One Big Beautiful Bill Act final full text as passed by the House: https://docs.house.gov/billsthisweek/20250519/RCP_119-3_FINAL.pdf
- Full text of the House Agriculture Committee mark: https://agriculture.house.gov/uploadedfiles/ag-recon-combo_03_xml.pdf
- House Agriculture Committee section by section summary: https://agriculture.house.gov/uploadedfiles/section_by_section_hac_print_reconciliation_final_700pm.pdf
- Committee fact sheet: “Holding States Accountable: Incentivizing a More Efficient and Effective SNAP Program”: https://agriculture.house.gov/uploadedfiles/holding_states_accountable.pdf
- Committee fact sheet: “Renewing the American Dream: Prioritizing Work in SNAP”: https://agriculture.house.gov/uploadedfiles/renewing_the_american_dream.pdf
- Congressional Budget Office estimate for the House version: <https://www.cbo.gov/publication/61420>

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