



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

## TIMELINE

- April 5, 2025: The Senate passed a budget resolution directing the Senate Agriculture Committee to make at least \$1 billion in cuts to programs under its jurisdiction, assumed to be mainly SNAP, and directing the House Agriculture Committee to make at least \$230 billion in cuts.
- April 10, 2025: The House passed the Senate budget resolution.
- May 12, 2025: The House Agriculture Committee mark was released.
- May 14, 2025: After a markup, the text was passed by the House Agriculture Committee without amendment along party lines.
- May 18, 2025: The text was incorporated into the combined *One Big Beautiful Bill Act (H.R.1)* that passed the House Budget Committee.
- May 22, 2025: After slight changes were made to the eligibility rules for non-citizens, among other changes in other titles of the bill, the House passed H.R. 1.
- June 11, 2025: The Senate Agriculture Committee released text for its version of the reconciliation bill. There were some differences from the House version but largely mirrored those provisions.
- June 25, 2025: The Senate Agriculture Committee released revised text making changes in response to the Parliamentarian's concerns about shifting benefit costs to states and further limiting eligibility for non-citizens as well as a few other provisions.
- June 28, 2025: The Senate Budget Committee released the full text for its version of the combined reconciliation package, including the Agriculture Committee language with some revisions.
- July 1, 2025: The Senate passed H.R. 1 with a last-minute change to the circumstances for delayed implementation of the SNAP benefit cost share.
- July 3, 2025: The House passed the Senate version of H.R. 1 without amendment.
- July 4, 2025: H.R. 1 was signed into law.

## OVERVIEW

H.R. 1, the final budget reconciliation package known informally as the One Big Beautiful Bill Act, makes almost \$200 billion in cuts to SNAP over the next ten years, the largest cuts in the program's history. The final bill is not as damaging as the version initially passed by the House, which was estimated to cut roughly \$300 billion in federal spending on SNAP, but it retained numerous damaging provisions. Most critically, the harmful structural changes that shift costs to states could threaten the program's future by straining state budgets and forcing difficult decisions, especially during recessions or after disasters that cause eligibility to rise while state revenue falls. While implementation of some provisions may be delayed for up to a few years, others may take effect as soon as guidance is issued, and all changes are permanent.

## SUMMARY

The provisions of the bill related to SNAP will:

- **For the first time ever, force many states to pay for a share of SNAP benefits** depending on their SNAP payment error rate.

**Effective date:** FY 2028 (October 1, 2027) with up to two-year delay possible

- 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%**
- 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.
  - This is a change from the initial proposal, which was to use the most recent complete year of data, likely to give states more time to plan for their benefit cost share given state budget cycles.
- Delayed implementation will be permitted:
  - Until FY 2029 in states with high error rates in FY 2025.
  - Until FY 2030 in states with high error rates 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.
  - Although states could 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 not allow a state to avoid the benefit cost share in FY 2028, only FY 2029.
- The [Congressional Budget Office \(CBO\) estimates](#) that, over the 10-year budget window through FY 2034, this will reduce federal spending by \$40.8 billion.

The **payment error rate** includes both under-payments and over-payments that exceed the tolerance level. 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 expenses for certain 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. 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)

- When the Senate Budget Committee released text for the combined reconciliation package, it removed language from this section that would limit USDA's ability to waive the state administrative cost share, but it does not direct waivers under any specific circumstances.
- The [CBO estimates](#) that this will reduce federal spending by nearly \$25 billion through FY 2034.

- **Limit future updates to the Thrifty Food Plan (TFP)**, the basis for calculating SNAP benefits, to being cost neutral and limiting USDA discretion for adjusting benefit levels based on household size.

**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.
- Unlike the initial House version, the final bill does *not* require TFP updates to go through the rulemaking process.
- Although the language works out to be similar to the current adjustments for household size, it is far more prescriptive than current law, which grants USDA discretion on making benefit level adjustments for household size.
- The [CBO estimates](#) this will reduce federal spending over the ten-year budget window by \$37.3 billion by cutting future benefits.

**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 pegged to SNAP benefit adjustments, if SNAP benefits cannot be adjusted beyond inflation because the TFP must be cost neutral, then Summer EBT benefits will not get adjusted beyond inflation either.

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

**Effective date:** Upon passage but no implementation date specified; awaiting USDA guidance

- 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.
  - The age of the youngest child increased from seven in the House version to 10 in the initial Senate version to 14 in the final bill.
- 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 and were preserved until sunset in the House version.
    - 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 to only being available in areas with an unemployment rate of 10 percent or higher, removing the option for a waiver in areas with an insufficient number of jobs. 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  $\geq 1.5$  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 reduce federal spending by \$68.6 billion through FY 2034.

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 date specified; awaiting USDA guidance

- 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 reduce federal spending by \$1.9 billion through FY 2034.

- **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 no implementation date specified; awaiting USDA guidance

**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.
- Ending the linkage would increase the administrative burden and may increase the possibility of payment errors as agencies retrain staff and update procedures.
- 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 reduce federal spending by \$5.9 billion through FY 2034.

- **Restrict the inclusion of internet costs in computing the excess shelter expense deduction** for the purpose of determining benefit levels.

**Effective date:** Upon passage but no implementation date specified; awaiting USDA guidance

- 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 reduce federal spending 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)

- The final bill preserves the text of the law that authorizes this program.
- The [CBO estimates](#) this will reduce federal spending by \$5.5 billion 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.

## **PROPOSED PROVISIONS NOT INCLUDED IN THE FINAL BILL**

The following provisions were included in the reconciliation package that passed the House on May 22, 2025 or in some version proposed by the Senate but not in the final bill:

- Reduce the tolerance level for SNAP payment errors from \$56 to \$0 starting in FY 2026.
  - The CBO estimated this provision in the House version would reduce federal spending by \$80 million through FY2034.
  - This would likely cause states to have higher error rates, which could lead them being responsible for a higher share of benefit costs.
  - The initial Senate Agriculture text and final bill preserve the current tolerance level.
- Require all states to use the National Accuracy Clearinghouse to prevent multiple SNAP issuances across states.
  - The NAC already exists and is available for state use but not required until October 2027.
  - The CBO estimated this provision in the House version would reduce federal spending by nearly \$7.5 billion through FY2034.
  - The initial Senate Agriculture text and final bill do not mention the National Accuracy Clearinghouse.
- Decrease the average monthly number of discretionary exemptions from ABAWD work requirements from 8 percent to 1 percent of the state's caseload.
  - States have wide discretion in granting exemptions up to the maximum.
  - Reducing the number of exemptions would limit SNAP case workers' ability to respond to individual circumstances, such as health issues that are not yet able to be documented as a disability or family emergencies.
  - The Fiscal Responsibility Act already reduced the number of discretionary exemptions that states have along with their ability to carry over exemptions from year to year.
  - The initial Senate Agriculture text and final bill do not change the discretionary exemptions from what is allowed under the FRA.

- Allow USDA to waive the benefit cost match for up to two years in noncontiguous states (i.e. Alaska and Hawaii) that are actively implementing plans to reduce their payment error rate.
  - This was changed in the final bill to allow delayed implementation for any state with a high error rate in FY 2025 or FY 2026.

No version of the bill, including the final text, eliminate **Broad-Based Categorical Eligibility (BBCE)** directly or change BBCE policy, but states would likely 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.

## 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>

### 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](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](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\\_ag\\_section\\_by\\_section\\_final.pdf](https://www.agriculture.senate.gov/imo/media/doc/senate_ag_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](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](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](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](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](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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