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House Agriculture Committee Proposal Would Worsen Hunger, Hit State Budgets Hard

By Katie Bergh and Dottie Rosenbaum

The House Agriculture Committee reconciliation bill would radically alter the structure of Supplemental Nutrition Assistance Program (SNAP) benefits by requiring states to pay a portion of food benefit costs for the first time.

For the almost 50-year history of the modern SNAP program, the program's food benefits have been 100 percent federally funded. This was a policy choice reflecting a nationwide commitment to address hunger and ensure that all eligible low-income households receive a food benefit that allows them to afford an adequate diet, no matter which state they live in. This proposal walks away from that national commitment.

State officials across the country have been clear that this cut to federal funding will result in significant harm to low-income people: cuts to food benefits, eligibility restrictions that cut people off SNAP entirely, or both.[1] Because SNAP is an optional program for states, these deep federal funding cuts may result in some states opting to end SNAP entirely if they are unable to come up with the state funds required to fill the hole left by deep federal cuts.

All States Would Face Significant Cost-Shift, Many Would Face Far Worse Penalties

The House Agriculture Committee proposal would require all states to pay a minimum of 5 percent of food benefit costs starting in 2028. (See Table 1 for estimates of state-by-state impacts.) This requirement alone would substantially strain state budgets and likely lead to deep cuts to food assistance.

If every state had needed to pay 5 percent of food benefit costs last year, states would have needed to collectively pay about $4.7 billion. As just one example, 5 percent of food benefit costs in Pennsylvania last year would have totaled about $210 million — roughly three-quarters of what the state spent on community colleges.

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[1] Grace Yarrow, "SNAP fight comes to a head," Politico, May 12, 2025, https://www.politico.com/newsletters/weekly-agriculture/2025/05/12/snap-fight-comes-to-a-head-00341198.

But every state would be at risk of owing *far* more — potentially up to 5 times that amount — based on its combined payment error rate, a measure of the under- and over-payments states made in their SNAP programs. Errors largely reflect unintentional mistakes by state workers and households, and the vast majority of households that receive overpayments were indeed eligible for food assistance — they just received an incorrect allotment.[2]

States with an error rate of 6 to 8 percent would owe 15 percent of food benefit costs; states with an error rate of 8 to 10 percent would owe 20 percent, and states with an error rate exceeding 10 percent would owe 25 percent.

Over the last two decades, every state except one — South Dakota — has had an error rate exceeding 6 percent for at least one year. Put another way, virtually every state is at risk of paying for 15 percent of food benefits or more under the proposal in at least some years.

These cost-shift penalties would be extreme and disproportionate. (See Table 2.) Because the penalties are based on a state's combined error rate, a state with an overpayment rate of 5 percent and an underpayment rate of 1 percent would subsequently owe 15 percent of food benefit costs — three times what the state overpaid to households. The bill also maintains the current penalty structure for states with persistently high error rates on top of requiring states to pay a large share of benefit costs.

It is important to note that state error rates vary from year to year. From one year to the next, a state would not know with any certainty whether it would be required to pay 5 percent of benefit costs, 15 percent, or even more. A state whose error rate rises from 5.6 percent to 6.0 percent would see the amount it is required to pay increase 300 percent.

Other Bill Provisions Increase Likelihood that States Will Owe Higher Cost-Shift Penalties

Other changes in this bill would substantially increase the risk that a state must pay these substantially higher amounts. First, the bill cuts in *half* the federal funding states receive for program administration — including eligibility determinations, quality control reviews, and fraud investigations — immediately upon enactment. This alone would leave a $27 billion hole in state budgets from 2026 to 2034, the Congressional Budget Office (CBO) estimates.[3] States that have been making progress to improve payment accuracy by investing in staff, training, and technology upgrades may be forced to pull back on those investments given the sharp and immediate cut in federal program administration funding.

Second, the bill also expands what counts as an error, increasing the payment error rate for every state and potentially tipping a state over the threshold to owe substantially more.

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[2] Dottie Rosenbaum and Katie Bergh, "SNAP Includes Extensive Payment Accuracy System," CBPP, updated June 21, 2024, https://www.cbpp.org/research/food-assistance/snap-includes-extensive-payment-accuracy-system.

[3] Grace Yarrow, "House Republicans' proposal to cut SNAP spending would save roughly $300B," Politico, May 13, 2025, https://www.politico.com/live-updates/2025/05/13/congress/house-republicans-reconciliation-proposal-snap-save-300-billion-00344403.

Finally, other provisions in the bill would substantially increase the administrative burden on states and increase the risk of errors. These include dramatically expanding SNAP's harsh and complex work requirement to an estimated 6 million additional low-income adults and eliminating an administrative simplification in calculating utility costs for many households.[4]

This combination — policy changes that make errors more likely, slashing federal resources for states to reduce errors, and adding unprecedented and disproportionate error rate penalties — would align states' incentives in one direction: to erect barriers that make it much harder for low-income people who are eligible for food assistance to access it. Such barriers could fall disproportionately on working families, who are more likely to have volatile income due to the unstable nature of low-paying work.

In Table 1 below, we estimate the range of what each state would owe in 2028 under this cost-shift proposal, though these estimates do not fully account for other provisions of the bill that would directly cut food benefits and terminate eligibility for many SNAP participants, reducing each state's obligation. Table 2 lists states' most recent (fiscal year 2023) payment error rates — which were higher than usual due to issues that arose during and in the aftermath of the pandemic — as well as the lowest and highest level each state's combined payment error rate has been since 2003 to illustrate that *all* states are at risk of these extreme penalties.

TABLE 1

States Would Be Hit Hard by the 5% to 25% Cost-Shift in the House Agriculture Committee's Reconciliation Bill

State	State Share of 5% Cost-Shift in FY2028 (millions) (under 6% error rate)	State Share of 15% Cost-Shift in FY2028 (millions) (6% to 7.99% error rate)	State Share of 20% Cost-Shift in FY2028 (millions) (8% to 9.99% error rate)	State Share of 25% Cost-Shift in FY2028 (millions) (10% or higher error rate)
Alabama	$86	$258	$344	$431
Alaska	$12	$37	$50	$62
Arizona	$100	$300	$400	$501
Arkansas	$27	$82	$109	$137
California	$615	$1,844	$2,458	$3,076
Colorado	$65	$194	$259	$324
Connecticut	$44	$133	$177	$222
Delaware	$13	$38	$51	$63
District of Columbia	$16	$48	$63	$79
Florida	$328	$984	$1,312	$1,641

[4] For estimates of the impact the bill's expanded work requirement provisions would have, see Katie Bergh, Catlin Nchako, and Luis Nuñez, "Expanded Work Requirements in House Republican Bill Would Take Away Food Assistance From Millions: State and Congressional District Estimates," CBPP, May 13, 2025, https://www.cbpp.org/research/food-assistance/expanded-work-requirements-in-house-republican-bill-would-take-away-food.

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Georgia	$162	$487	$649	$812
Guam	$6	$18	$24	$30
Hawai'i	$36	$109	$145	$182
Idaho	$14	$42	$56	$70
Illinois	$222	$666	$888	$1,111
Indiana	$71	$214	$285	$356
Iowa	$26	$79	$105	$131
Kansas	$20	$61	$81	$101
Kentucky	$57	$172	$229	$286
Louisiana	$95	$283	$378	$473
Maine	$18	$54	$72	$90
Maryland	$75	$223	$298	$373
Massachusetts	$130	$390	$520	$651
Michigan	$152	$456	$608	$761
Minnesota	$43	$128	$170	$213
Mississippi	$42	$125	$167	$209
Missouri	$75	$225	$300	$376
Montana	$8	$25	$34	$42
Nebraska	$16	$49	$66	$82
Nevada	$50	$150	$200	$250
New Hampshire	$8	$23	$31	$38
New Jersey	$96	$287	$383	$479
New Mexico	$51	$153	$204	$255
New York	$366	$1,095	$1,461	$1,828
North Carolina	$146	$438	$584	$731
North Dakota	$6	$17	$22	$28
Ohio	$158	$473	$631	$790
Oklahoma	$75	$224	$299	$374
Oregon	$79	$238	$317	$397
Pennsylvania	$212	$636	$848	$1,061
Rhode Island	$17	$51	$68	$85
South Carolina	$64	$193	$257	$321
South Dakota	$9	$27	$36	$45

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Tennessee	$81	$242	$322	$403
Texas	$358	$1,074	$1,432	$1,792
Utah	$19	$57	$76	$95
Vermont	$7	$22	$29	$37
Virgin Islands	$4	$10	$14	$18
Virginia	$88	$263	$351	$439
Washington	$95	$286	$381	$477
West Virginia	$28	$84	$112	$141
Wisconsin	$68	$203	$271	$339
Wyoming	$3	$8	$11	$14
United States	$4,664	$13,979	$18,639	$23,321

Note: Based on each state's share of fiscal year 2024 benefit issuance and projected benefit costs in 2028 under the Congressional Budget Office's June 2024 baseline, assuming each state's share of the national total is the same as its share in fiscal year 2024, adjusted for a separate provision freezing the cost of the Thrifty Food Plan outside of inflation adjustments. Puerto Rico, American Samoa, and the Commonwealth of the Northern Mariana Islands are not included in this table because they receive a nutrition assistance block grant in lieu of participation in SNAP.
Source: U.S. Department of Agriculture SNAP Data for FY 2024, https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap.

TABLE 2

States' SNAP Error Rates Vary Substantially; Based on Past History, Most States Could Face at Least a 15% or Higher Cost-Shift at Some Point

Only 1 state has never had an error rate above 6% in data back to 2003 (the beginning of the current SNAP sanction system)

State	2023 State Combined Payment Error Rate	Lowest Error Rate Between 2003 to 2023	Highest Error Rate Between 2003 to 2023
Alabama	7.07	1.70	8.02
Alaska	60.37	0.76	60.37
Arizona	11.39	4.68	11.39
Arkansas	9.57	4.02	11.31
California	13.40	3.63	13.40
Colorado	8.61	2.72	8.67
Connecticut	8.91	4.94	10.50
Delaware	22.80	1.15	22.80
District of Columbia	20.26	3.03	20.26
Florida	12.60	0.42	12.60
Georgia	12.07	1.99	14.98
Guam	18.01	4.24	18.01
Hawai'i	20.94	3.04	21.78
Idaho	3.42	1.25	11.31
Illinois	9.91	1.70	10.91
Indiana	10.46	2.60	10.46
Iowa	5.19	3.36	12.47
Kansas	12.07	0.75	12.07
Kentucky	7.27	4.09	7.27
Louisiana	6.65	1.44	8.00
Maine	13.48	2.16	19.12
Maryland	18.98	2.12	35.56
Massachusetts	9.86	2.87	11.77
Michigan	10.72	2.70	13.00
Minnesota	6.40	3.95	9.78
Mississippi	10.15	1.16	10.15
Missouri	10.54	1.50	13.03
Montana	6.04	2.71	9.97
Nebraska	7.06	1.54	7.34
Nevada	6.71	2.86	8.25
New Hampshire	12.53	3.01	12.53
New Jersey	35.70	1.32	35.70

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State	2023 State Combined Payment Error Rate	Lowest Error Rate Between 2003 to 2023	Highest Error Rate Between 2003 to 2023
New Mexico	14.40	3.73	14.40
New York	12.68	3.33	12.89
North Carolina	9.72	2.23	19.07
North Dakota	9.51	1.73	9.51
Ohio	7.01	2.30	9.17
Oklahoma	10.64	3.78	10.64
Oregon	16.76	3.54	22.99
Pennsylvania	16.61	2.71	16.61
Rhode Island	12.40	3.67	22.66
South Carolina	22.57	1.09	22.57
South Dakota	3.27	0.75	3.27
Tennessee	12.56	1.08	19.79
Texas	6.70	0.63	7.86
Utah	5.09	2.11	6.61
Vermont	3.45	2.76	9.66
Virgin Islands	10.29	1.93	10.29
Virginia	9.86	0.44	10.52
Washington	6.74	0.77	9.33
West Virginia	10.98	4.90	10.98
Wisconsin	5.15	1.11	9.32
Wyoming	5.19	2.42	9.63
United States	11.68	3.20	11.68

Source: SNAP Quality Control Payment Error Rates, SNAP Payment Error Rates | Food and Nutrition Service.