



MISSOURI ANALYSIS: SNAP CUTS APPROVED BY THE U.S. HOUSE OF REPRESENTATIVES

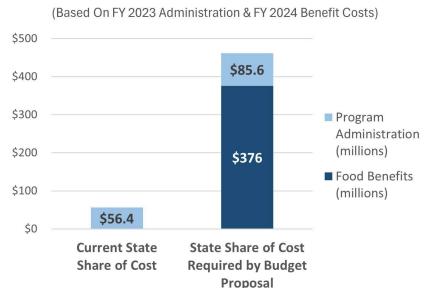
The Budget Reconciliation bill approved by the House on May 23, 2025 would severely cut SNAP and harm millions of households.

SNAP helps 1 in 10 Missouri residents, or more than 620,000 Missourians, meet their nutritional needs.

SUMMARY

- The budget proposal makes fundamental changes to SNAP and shifts more costs to states.
- Under the proposal, Missouri would be expected to pay an additional \$405 million to maintain its current level of SNAP food assistance for Missourians.
- The potential impact on the state budget, along with other proposed program changes means Missourians of all ages are at risk of losing food assistance.
- This proposal is a bad deal for Missouri & Missourians.

Missouri Would Have to Pay \$405 Million More A Year If Budget Proposal Bill Becomes Law



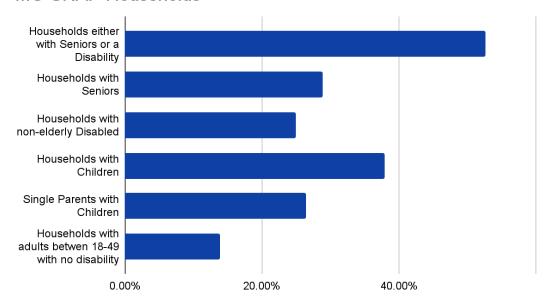




WHO BENEFITS FROM SNAP¹

- Nationally, four in five (79%) SNAP households included either a child, an elderly individual, or a non-elderly individual with a disability. These households contained 88% of all SNAP participants and received 83% of all SNAP benefits.
- Most SNAP households lived in deep poverty.
 Seventy-three percent had a gross monthly income at or below 100% of the poverty level; 86% of all SNAP benefits go to these households.
- The average SNAP household received a monthly benefit of \$332. That's \$177 per person based on the average SNAP household size of 1.9 people.

MO SNAP Households



¹ https://www.fns.usda.gov/research/snap/characteristics-fy23





HOW PROPOSED CUTS WILL HARM MISSOURIANS

STATE COST REQUIREMENT

Section	Current Law	Proposed Change	Missouri Impact
10007	Each state splits the cost of administering the SNAP program 50/50 with the federal government.	Starting immediately upon passage, states would be responsible for 75% of administrative costs. (Administrative costs include things like eligibility determinations, fraud detection, staffing, etc.)	In fiscal year (FY) 2023, total administrative costs in Missouri were over \$114 million (not including federal American Rescue Act funding). Missouri's share of the cost was \$56.4 million. ² At 75% cost share, the state will have to pay over \$85.6 million to maintain the same level of administrative support. This is an increase of \$29.2 million. Federal disinvestment will place significant pressure on DSS and expand workload and capacity issues that cause mistakes.
10006	SNAP food benefits have been paid 100% by the federal government since the modern program was created in 1977 - nearly 50 years ago.	Starting FY2028, all states would be required to pay a minimum of 5% of SNAP food benefits. If a state's payment error is 6% to 7.99% the state cost requirement increases to 15%. If the error rate is 8% to 9.99% it increases to 20%. If the error rate is 10% or higher, the state share is 25%.	In FY23, Missouri had an error rate of 10.54%, which means Missouri would need to pay 25% of food benefits starting in FY28. This would cost the state \$376M on an annual basis (based on the amount of benefits issued in FY 2024). ³

² USDA State Activity Report FY 2023

³ The payment error rate is a measure of over- and under-payments of SNAP benefits given to households. If Missouri's error rate is below 6% at the time of implementation, Missouri's cost share of SNAP benefits would be \$75 million. Source: Katie Bergh and Dottie Rosenbaum, "House Agriculture Committee Proposal Would Worsen Hunger, Hit State Budgets Hard," May 13, 2025





10010

The federal government determines an error rate for every state based on an audit of a random selection of case files. Currently, the process disregards overpayments and underpayments below the "error tolerance threshold," which is currently \$57.

The vast majority of errors are from mistakes made by workers or clients trying to follow extremely complex rules. Most states, including Missouri, face staffing challenges due to high turnover, inadequate investment in salaries for DSS employees, and high levels of need. DSS is already struggling to meet the needs of Missouri residents. For example, in March 2025, the average hold time to complete the federally required phone interview was over 1 hour and nearly 50% of all new SNAP applications were denied for failure to complete an interview as a result.

Starting FY26, the error tolerance threshold would be eliminated. This would mean a file could be deemed to have an error even in cases where a mistake caused a \$1 or \$2 dollar over or under issuance.

Running the QC system without a reasonable error tolerance threshold is a foolish and unnecessary waste of state administrative resources - and, because it does not actually reflect systemic problems, it would artificially increase the error rate (increasing the state cost requirement).

Major reductions to FNS staffing further harms the ability of states and the federal government to work together to address the root cause of errors. Many USDA Food and Nutrition Service staff with SNAP expertise were fired by the Trump Administration or took resignation packages. The federal government's technical expertise and oversight needed to reduce errors is now sorely lacking.

Many advocates believe that requiring states to pay more in administrative costs will force the states, including Missouri, to attempt to cut costs in ways that will result in fewer workers, fewer IT improvements and worse customer service. Missouri has already been found to be out of compliance with federal mandates for SNAP administration; we simply can't afford to cut any more corners when it comes to SNAP administration.

The Bottom Line: The federal government dumping SNAP costs onto the state will force Missouri to cut funding for other priorities to fund SNAP. The instability of the funding model will wreak havoc on the state budget process.





PROPOSAL EXPANDS WORK REQUIREMENTS + TIME LIMITS

Current Law	Proposed Change	Missouri Impact
Under current SNAP rules, most adults aged 18 through 54 without children in their household can receive food benefits for just three months in a three-year period unless they show compliance with a 20-hour-per-week work requirement or prove they qualify for an exemption, such as having a disability. Congress just expanded the time limit to include adults ages 50-54 in the Fiscal Responsibility Act of 2023 with a sunset date on the expanded age range of October 1, 2030.	Expands existing work requirements with the harsh and ineffective 3-month time limit to include: • parents or grandparents living with children 7 or older, unless caring for the child while both married to and living with an adult meeting the work rules. • older adults aged 55 through 64	 Adults at risk of losing SNAP⁴: Ages 55-64 with no children, no disability: 14,000 Ages 18 to 64 with school-age children, no disability: 54,000 Total People at Risk of Losing Some Amount of SNAP: in households with adults ages 55 to 64 with no children, no disability: 18,000 in households with adults ages 18 to 64 with school-age children, no disability: 132,000
The following groups are excluded from work requirements and the three-month time limit under current law: • Families with children under 18 • Adults who are homeless • Veterans	Exemptions for homeless adults, veterans, and young adults who are under 25 and were in foster care when they turned 18 will sunset on October 1, 2030.	

⁴ https://www.cbpp.org/research/food-assistance/expanded-work-requirements-in-house-republican-bill-would-take-away-food





•	Young adults who are under 25 and were in foster care when they turned 18.	

ADDITIONAL CONTEXT ON WORK REQUIREMENTS:

- The House Agriculture committee has proposed the most drastic <u>expansion of SNAP Work Requirements (SNAP time limit)</u> since the time limit was created by the 1996 Welfare Reform law. <u>Decades of evidence show work requirements:</u>
 - Do not increase employment or earnings. The vast majority of those losing SNAP due to the expansion of the work requirement —
 including older adults, parents, veterans, people experiencing homelessness, and young people who have aged out of foster care —
 would lose the assistance they need to afford groceries with no improvement in their job prospects or income.
 - Ignore systemic barriers in the labor market. The proposed expansion does nothing to create good, consistent jobs, expand training programs, or provide affordable, accessible child care.
 - Increase hunger and poverty for adults struggling to get and stay connected to good jobs.
- Even under current work requirements, the primary impact is taking food assistance away from people who are already struggling to meet their basic needs. One study found that this policy cut off more than half 53 percent of the people subject to it.⁵
- Impact on expansion of work requirements on older adults:
 - Older adults often face additional barriers to employment, such as age-related hiring discrimination, which may heighten their risk of being cut off of SNAP. Additionally, more than half of low-income adults in this age range report a health barrier to work.
- Impact on households with children:
 - If an adult is cut off of SNAP, food benefits are decreased for their entire household. As a result, the more than 4 million children aged 7 through 17 who live in these households would be at risk of living in a household without enough food assistance to feed the family.

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⁵ https://www.aeaweb.org/articles?id=10.1257/pol.20200561





PREVENTS FUTURE UPDATES TO BENEFIT AMOUNT

Section	Current Law	Proposed Change	Missouri Impact
10001	In the 2018 Farm Bill, Congress directed USDA to re-evaluate the underlying food costs used for SNAP benefit amounts (the "Thrifty Food Plan"). As a result, in 2021 USDA updated the Thrifty Food Plan for the first time in 50 years. SNAP benefits are now based on scientific nutrition standards, modern food prep, and food costs. SNAP increased an average of \$1.40/person/day.	The proposal prohibits USDA from making future increases to the cost of the Thrifty Food Plan - essentially freezing SNAP benefit amounts outside of a cost of living adjustment, without regard for future changes to nutrition standards, food purchasing patterns, or systemic changes in food costs.	SNAP allotments are already too low, despite the recent increase. Nationally, a modestly priced meal costs 19% more than the SNAP benefit. Across MO, some counties in the KC area, the St. Louis area, mid-MO and Southwest MO have average meal costs between 20% and 38% higher6 than the SNAP benefit. Freezing the Thrifty Food Plan will, over time, lead to SNAP grants that become more and more inadequate and out of step with modern life for Missouri families earning low incomes.

ELIMINATES SNAP NUTRITION EDUCATION

Section	Current Law	Proposed Change	Missouri Impact
10011	All states receive federal funds to run nutrition education and obesity prevention grant programs. This year, Missouri received \$11.4M to distribute across the state.	Full elimination of education efforts	DSS administers <u>a SNAP Nutrition Education</u> <u>program</u> , connecting SNAP families to nutrition resources and services. The program would be eliminated.

⁶ See Urban Institute analysis by county

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BARS SNAP BENEFITS FOR THOUSANDS OF LEGALLY PRESENT IMMIGRANTS

Section	Current Law	Proposed Changes	Missouri impact
10012	Low-income legally present immigrants who have long qualified for SNAP under the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (P.L. 104-193), including immigrants granted asylum, refugee status, withholding of deportation, Cuban and Haitian entrants, humanitarian parolees, and conditional entrants. Undocumented immigrants, Temporary Protected Status, victims of violence (U visas), Deferred action and others have never been SNAP eligible.	Bars all legally present "qualified" immigrants who are not Lawful Permanent Residents (LPRs) from receiving SNAP.	The House proposal would primarily harm immigrants granted legal status on the basis of a well-founded fear of persecution and/or fleeing war torn countries, including refugees. This could harm 10,000 refugees and other legally present immigrants residing in Missouri.7

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⁷ <u>USDA's FFY23 Characteristics of State Plans</u>