Improving Family Economic Security:
SNAP in 2025 and Beyond
New Restrictions for Children, Families, and States

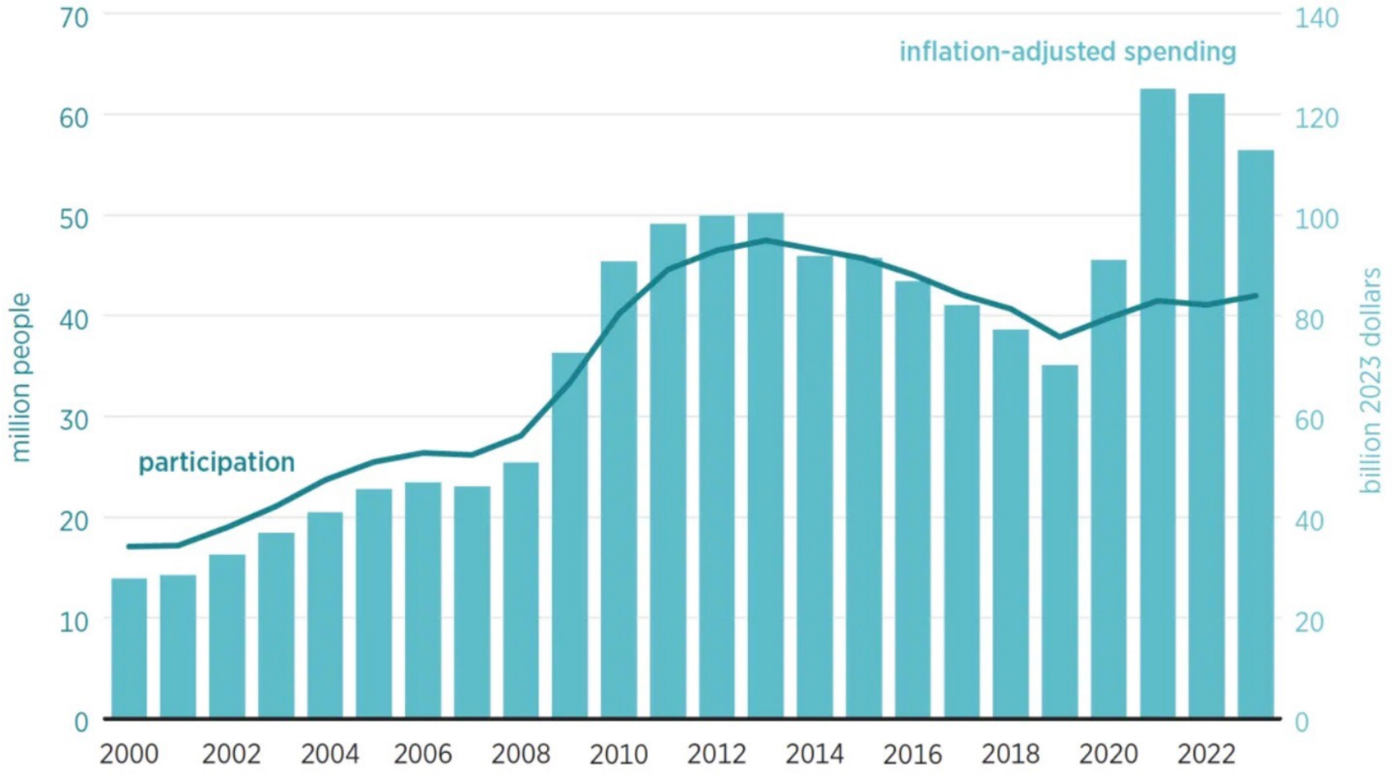
September 24th, 2025

NCCP National Center for Children in Poverty
Bank Street Graduate School of Education

Increase in national SNAP participation and expenditures from 2000-2023

Federal data show large increases along two measures from 2000-2023:

- a more than **4-fold increase in participation;** and
- an almost **8-fold increase in inflation-adjusted expenditures.**



Source: USDA Economic Research Service using FNS data.

Overview of upcoming changes to SNAP

- ***Fewer exemptions from work requirements***
- ***Restrictions on state "ABAWD" waivers***
- ***New limits on access for many immigrant families***
- ***Cost-sharing for states: administrative <u>and</u> benefit costs***
- ***Payment error rates for SNAP will be critical (in either 2028 or 2030)***
- ***Special focus on IOWA's improved SNAP error rates***
- ***Summary of challenges to states' capacity and children's well-being***
- ***What can be done?***

How do new rules on who is responsible for ABAWD work requirements affect parents/caregivers?

- **Before**: Parents with children between 6 and 18 remained eligible for SNAP by maintaining "general" work requirements, i.e., registering for work, participating in E&T programs if available, taking employment if offered. They were exempt from "ABAWD" requirements.
- **Now**: Unless pregnant or caring for a child under 14, parents and caregivers are responsible for ABAWD requirements. They must either work or participate in a work program (or both) for a total of at least 80 hours each month.
- **The key difference**: Those responsible for the ABAWD work requirements who don't meet them for <u>any</u> three months within a three-year period will lose SNAP. Unless they quickly re-establish an exemption or compliance with the work requirements, they must wait three years before re-applying.

How else can changing work requirements affect households with children?

- Others besides parents and caregivers have just lost their exempt status from ABAWD requirements, including **those experiencing homelessness, veterans, those aged 55 to 64, and individuals under 24 who were formerly in foster care**.
- Non-caregivers who lose SNAP because of ABAWD work requirements may well be contributors to households with children, even if they are not primary caregivers.

How will restrictions on states' ability to apply for waivers to ABAWD work requirements change SNAP access?

- **Before**: States could apply for waivers for ABAWD work requirements for areas with either a) "an insufficient number of jobs" or b) an unemployment rate of over 10%.
- **Now**: The new law removes waiver authority from states for areas with "an insufficient number of jobs." States can now only file waivers allowing those living in areas with a 10% unemployment rate to remain ABAWD-exempt. (Alaska and Hawaii will continue to qualify for special state exemptions for areas with an unemployment rate that is at or above 1.5 times the national unemployment rate.)

How will new guidelines around state ABAWD waivers affect households with children?

- Today, **California**, **Nevada**, and **Illinois** have full-state waivers of ABAWD requirements. (Nevada's state-wide waiver expires 1/31/26.)
- Twenty-one other states have partial waivers for certain areas/counties.
- Very few of the areas/counties under current waivers have unemployment rates of 10% or higher.
- The restriction on waiver authority for the states will result in a massive increase in the numbers of individuals who must meet the three-month time limits of ABAWD work requirements (a group that newly includes parents and caregivers of children over 14). **Large numbers of people may be disenrolled as a result.**

Example: ABAWD Waivers in New York State

"[Only} ABAWDs residing in Saratoga County are subject to the ABAWD time limit [of three months]. **All other areas of New York State have been waived from the ABAWD time limit through February 28, 2026.**"
- OTDA NY FAQ website

💡 **All unemployment rates throughout NY are <u>under</u> 10%.**
💡 **This means that millions of cases will need to be reviewed at recertification against ABAWD requirements, including those of parents with children over 13.**

From CBO analysis: Impact on families with children across the U.S.

Together, the combination of new ABAWD requirements for parents of children over 14 and the new restriction on state waivers of ABAWD requirements are projected to result in **the loss of SNAP eligibility *each month* of 300,000 able-bodied adults throughout the U.S. who live with children age 14 or older over the 2025-2034 period.**

How do changes in SNAP access affect immigrant families?

- **Before:** Individuals with an "undocumented" immigration status were already ineligible for SNAP.
- **Now:** Those immigrants **newly ineligible** for SNAP include refugees, those who were granted asylum, certain survivors of domestic violence or sex or labor trafficking, and individuals granted humanitarian parole for at least one year.

💡 Even when children are documented citizens themselves, parents and caregivers who are members of "ineligible categories" are often far too intimidated to claim benefits for their children, exacerbating food insecurity for the entire household.

Will states now be responsible for sharing both administrative and benefit costs?

- ➢ States' share of **administrative** SNAP costs will increase from 50% (before OBBBA) to 75%, enabling a decrease in federal responsibility for these costs.

- ➢ Beginning in late 2027, the consequences for SNAP payment error rates over 6% will mean that states must be responsible for a share of **benefit** costs for the first time:
  - states with error rates **between 6% and 8%** will be responsible for **5% of benefit costs**;
  - those with rates **between 8% and 10%** will be responsible for **10% of costs**;
  - and those with rates **above 10%** will be responsible for **15% of costs**.

  States will be able to choose whether to use their error rates for FY2025 or FY2026 to determine their cost-sharing responsibility.

What else is important to know about SNAP error rates and states' new cost-sharing requirements?

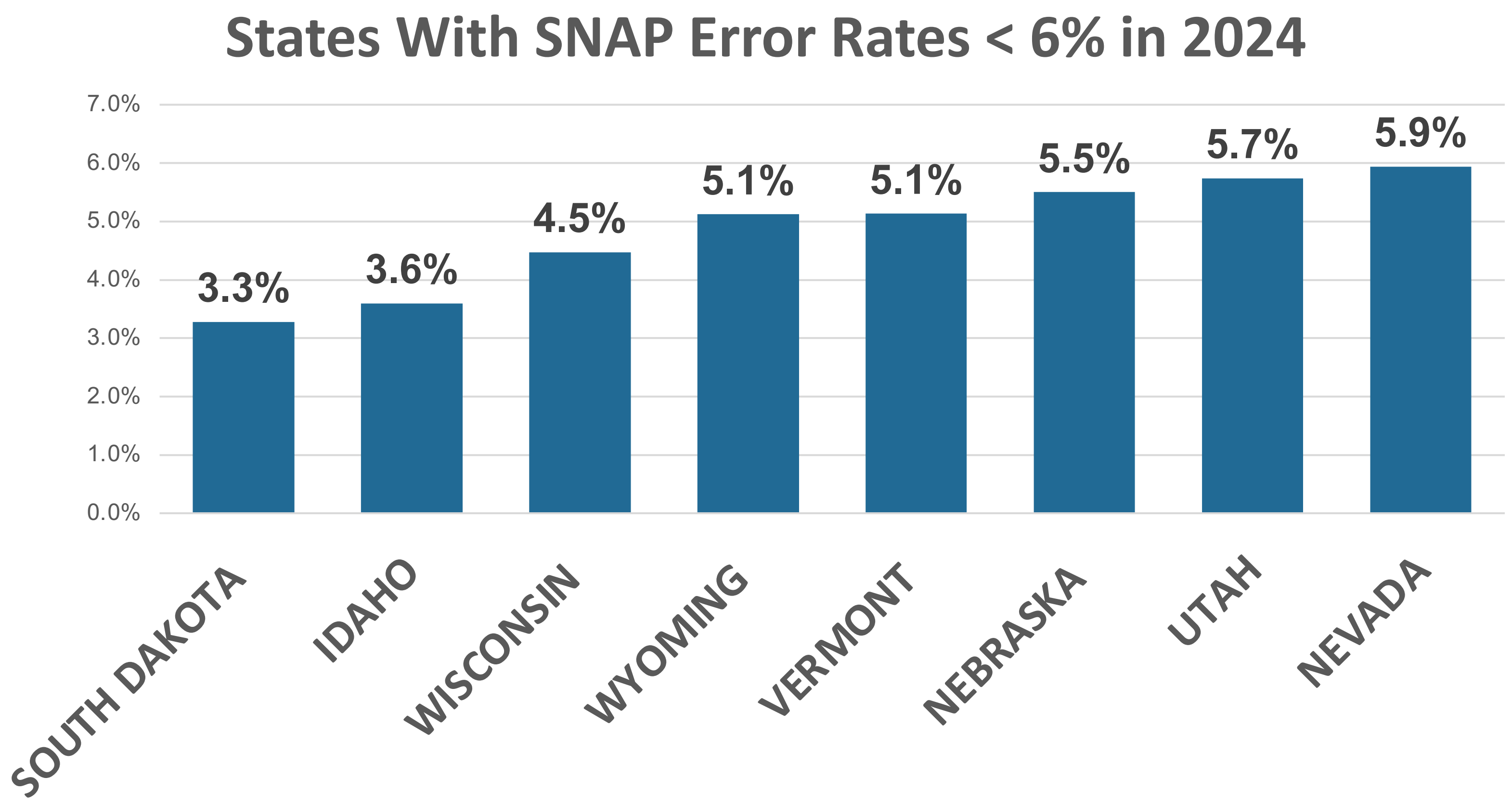
- Cost-sharing will "come on line" starting in late 2027, for FY2028.
- For FY2028, a state may elect either their FY2025 or FY2026 payment error rate to determine its benefit cost-sharing requirement.
- For FY2029 and each fiscal year thereafter, the state "match" for cost-sharing is calculated using the payment error rate that is three fiscal years prior.

Do some states get to delay benefit cost-sharing if their error rates exceed 13.34%?

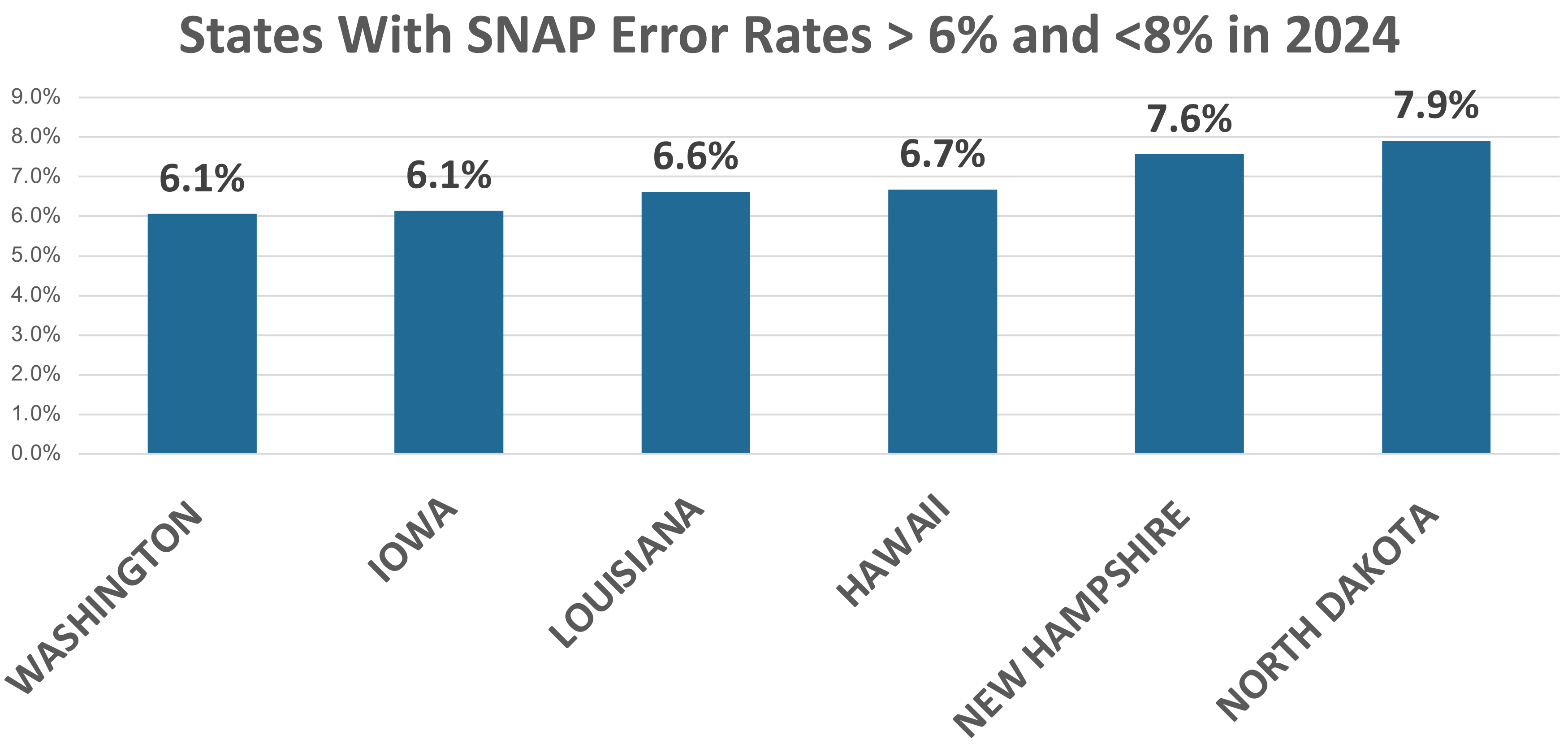
- Yes. In negotiations, a compromise was struck so that states with especially high error rates (for either 2025 or 2026) can defer the start of cost-sharing for SNAP benefits from 2028 to 2030.
- **Alaska, Florida, Georgia, Maryland, Massachusetts, New Jersey, New Mexico, New York, Oregon and D.C.** had error rates greater than 13.34% as of 2024. If their rates continue to be as high in 2025 or 2026, they will qualify for the two-year delay.

💡 **Some are interpreting this provision as an "incentive" to allow error rates to continue at high rates or even increase them in order to delay cost-sharing.** (Remember that all states will be able to choose whether to consider their 2025 or 2026 error rates.)

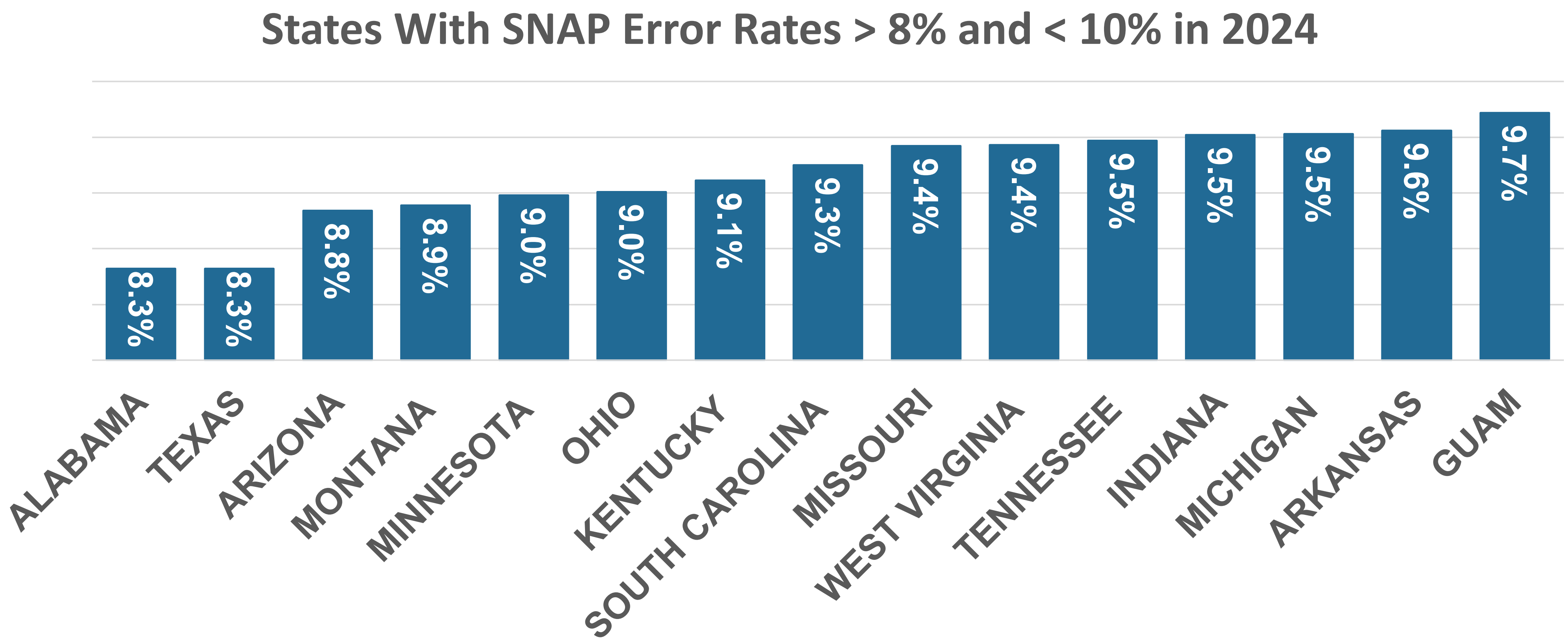
States that would not need to share benefit costs if 2024 rates were applied



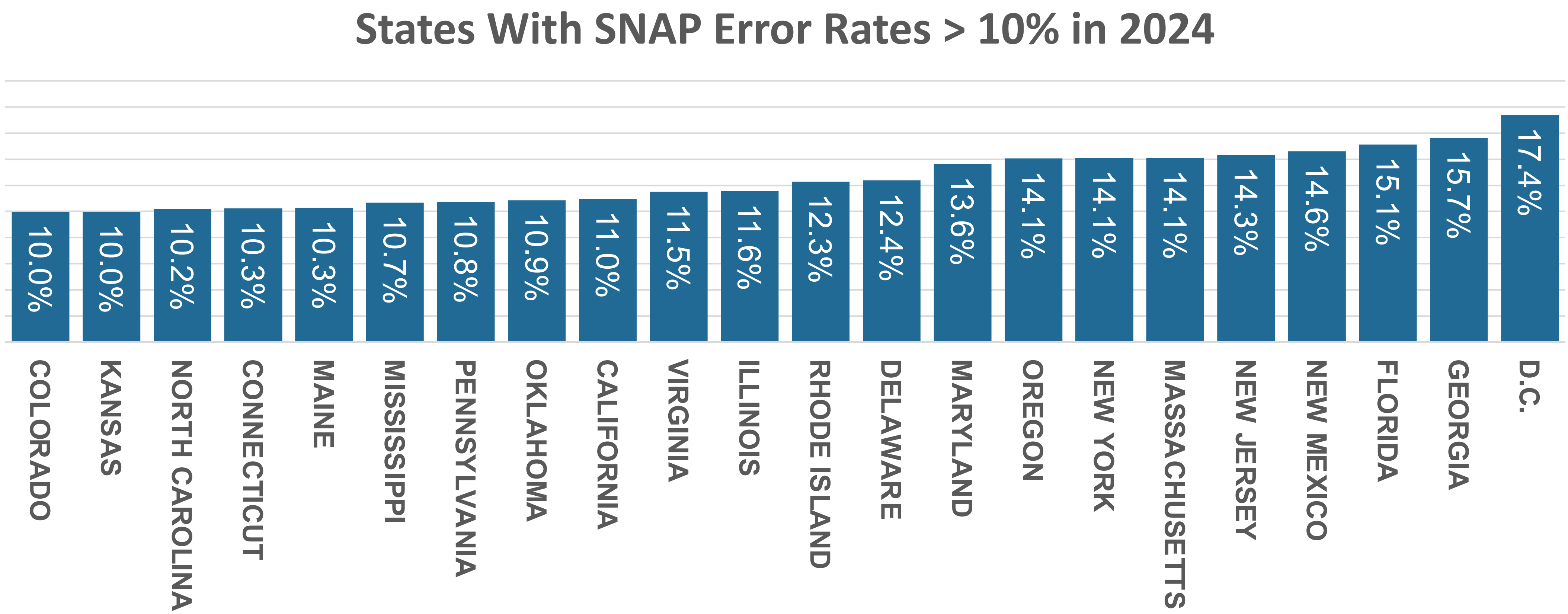
States that would need to share 5% of benefit costs if 2024 rates were applied



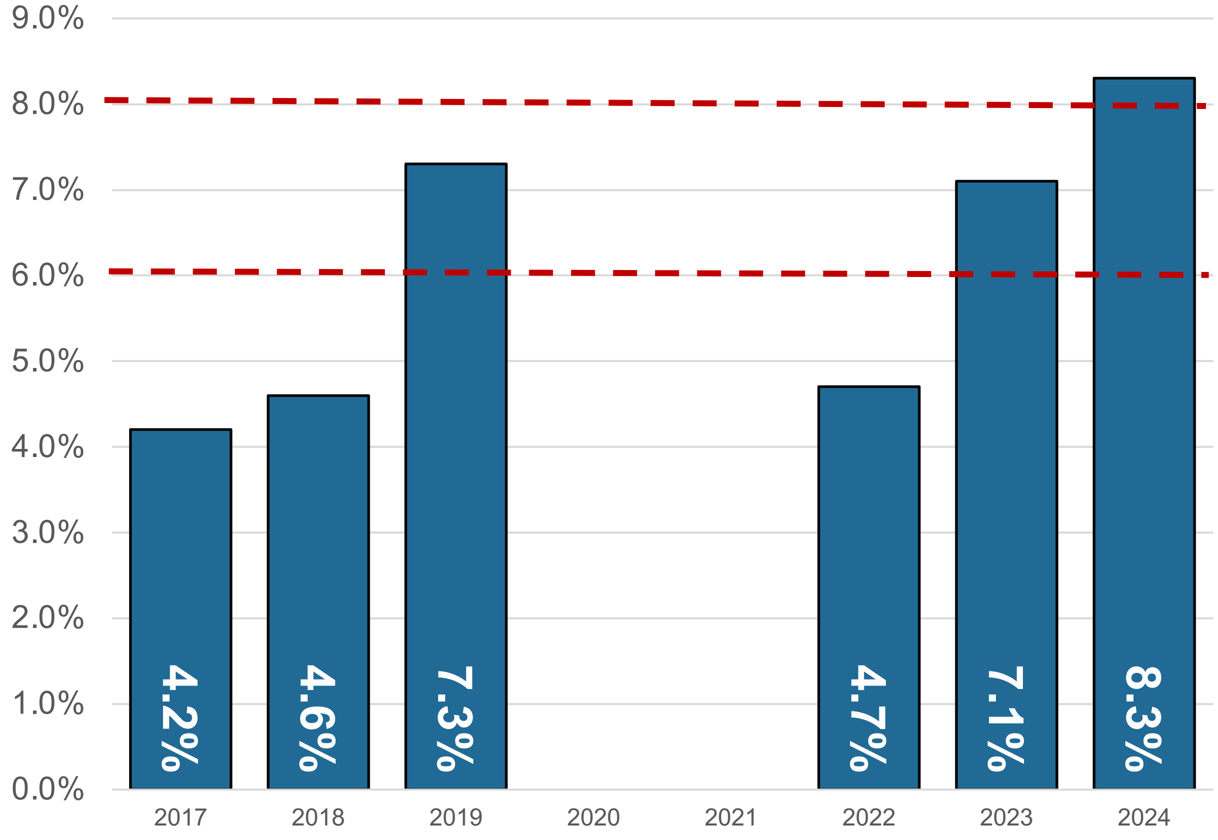
States that would need to share 10% of benefit costs if 2024 rates were applied



States that would need to share 15% of benefit costs if 2024 rates were applied



Alabama's Error Rates: 2017-2024

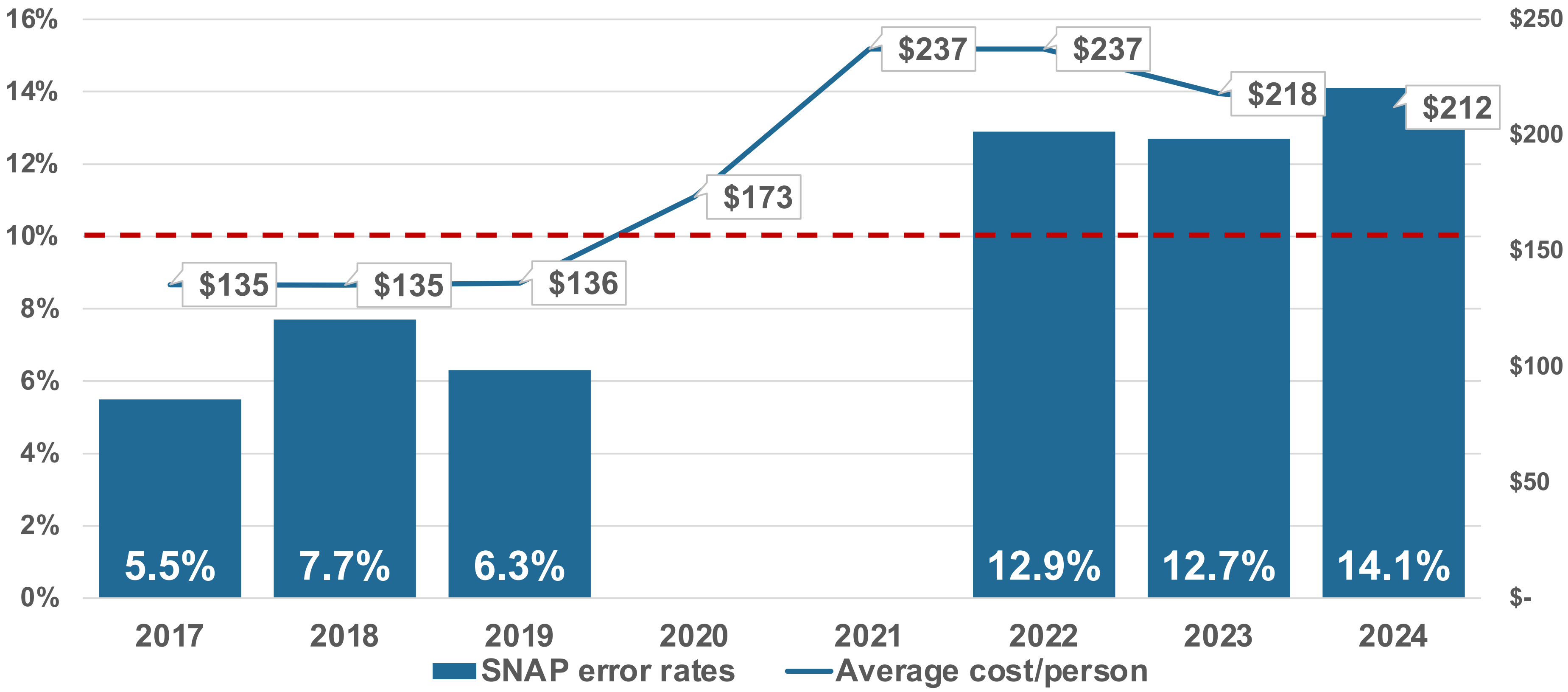


Monthly participant numbers across these years were relatively stable, averaging 751,265.

Estimating from Alabama's annual SNAP expenditures of $1.73 billion in 2024:

- With error rates between 6% and 8%, Alabama would owe more than **$86.5 million in benefit costs.**
- With error rates between 8% and 10%, the state would owe more than **$173 million in benefit costs**.

New York’s Error Rates and Monthly Cost/Person



Who checks cases for payment errors? (NOT NEW)

State and federal reviewers conduct a Quality Control (QC) process to determine payment error rates:

1. In each state, independent reviewers check a random sample of cases for the accuracy of eligibility and benefit decisions.
2. The USDA collects these state-reviewed cases each month, and then federal officials recheck a portion of them.
3. Under federal law, **recipients whose cases are under review must cooperate with the process or their case could be closed**.

What do error payment rates measure and how are they calculated? (NOT NEW)

- Payment errors stem from **failures to verify** applicants' information, including citizenship, education, employment, finances, household size, identity, and residency.
- They measure the accuracy of the state's payments to recipients by calculating the monthly payment error rate as the underpayments plus overpayments as a share of total benefits paid:

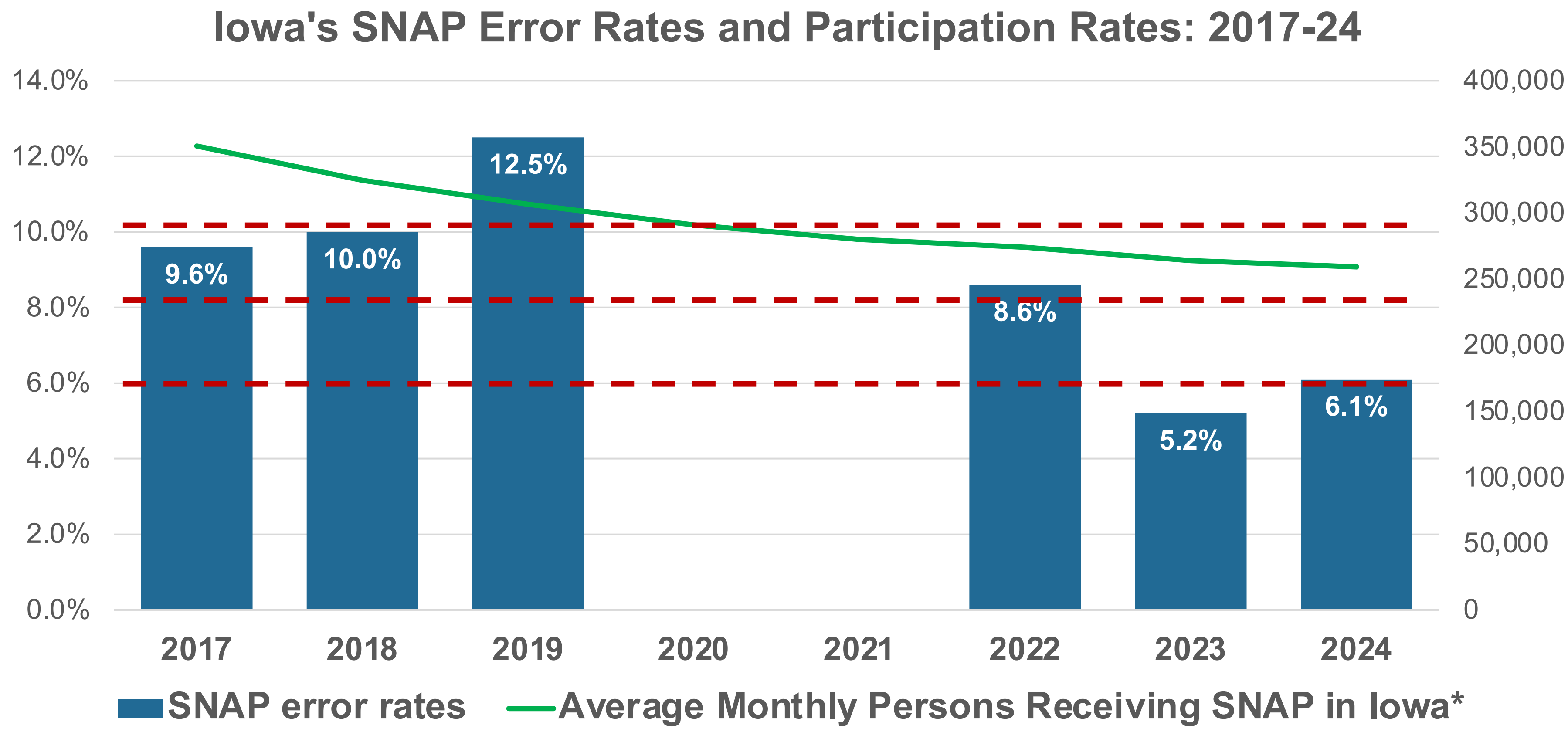
(Underpayments + Overpayments) / Total Benefits Paid

- Importantly, starting in 2022, administrative errors (like a missing signature) could result in "overpayments" even in cases where a household received the correct amount.

How have states worked to improve their payment error rates in the past?

- In the past, states have worked with the USDA to redesign processes, enhance training for caseworkers, etc. Importantly, it has been possible to designate a share of the penalties that were owed by states for high error rates to redesign efforts.
- **Iowa**, **Idaho**, and **Vermont** have improved their error rates significantly in recent years.

Evidence of dramatic reduction in Iowa



Strategies for error rate reduction in Iowa

Business Process Redesign (BPR) was undertaken with support from the USDA (paying a vendor) starting in the second half of 2021. It entailed these key elements:

1. Combining two formerly separate state government agencies, bringing different policy operations under one roof including the unification of field workers who had previously been scattered and subdivided.
2. Virtual statewide training of field workers (aka caseworkers), requiring a six-month stay in a training unit for new people; experienced workers re-trained.
3. A "Continuous Case Improvement Unit" focused on reading hundreds of cases per week to fix errors <u>before</u> QC processes involving state and federal review.

More about Iowa: Concerns

- Increase in accuracy of SNAP eligibility determination led to *decreases in timeliness of application processing and benefit provision*. As a result, state was given a federal "cap" for timeliness. The agency has now worked extensively to improve timeliness as well as accuracy of eligibility processes. 💡QC process assessment may need refinement at the federal level.
- Reorganization of government agencies was characterized by a greater focus on eligibility alongside *"less [focus] on child welfare."*
- Progress was both expensive and time-consuming; it coincided with Medicaid unwinding.

Increasing measures to counter fraud

- The SNAP National Accuracy Clearinghouse (NAC) is an interstate data matching system established under the Farm Bill of 2018 specifically to “prevent the issuance of SNAP benefits to an individual by multiple state agencies simultaneously.”
- Many states have enacted legislation mandating large datasets to cross-check program eligibility.
- Initiatives to address EBT card fraud or theft are becoming more popular at the state-level.

Summary of challenges to states' capacity

- Expansions of ABAWD work requirements
  IMMEDIATE, ALTHOUGH MANY STATES AWAIT MORE SPECIFIC USDA GUIDANCE
- Restrictions on state ABAWD waivers
  IMMEDIATE, BUT EXISTING WAIVERS REMAIN IN EFFECT
- Increased administrative cost-sharing
  FY 2027
- New benefit cost-sharing tied to payment error rates
  OCTOBER 1, 2027 (FY 2028) – WITH A DELAY FOR STATES WITH THE HIGHEST PAYMENT ERRORS UNTIL FY 2029 OR FY 2030
- New restrictions on eligibility for immigrant groups
  IMMEDIATE

Summary of impacts on children and families

- Challenges to eligibility at application and recertification leading to "child-only" SNAP because of ABAWD work requirements for parents/caregivers.
- Potential loss of eligibility in areas/states with soon-to-be discontinued ABAWD waivers.
- Protracted application processing (because of need to decrease error rates), more extensive verification, new rules. Denials potentially more common. Loss of easy eligibility for free school meals.
- Decreases in generosity overall to offset cost-sharing. Potential withdrawal of BBCE expansions.

Reminder: SNAP generosity through state policies has protected child and family safety

States will be under pressure to be less generous in providing access to SNAP. They may change policies that are known to be linked to preventing outcomes. As a reminder, adoption of each of the polices from the resource we produced earlier this year had been linked to average estimated reductions in the following outcomes, per 100,000 children: 353 fewer reports accepted for CPS investigation; 95 fewer substantiated reports of neglect; and 45 fewer foster care placements.

A 50-State Comparison of SNAP Policies Linked to Child and Family Protection

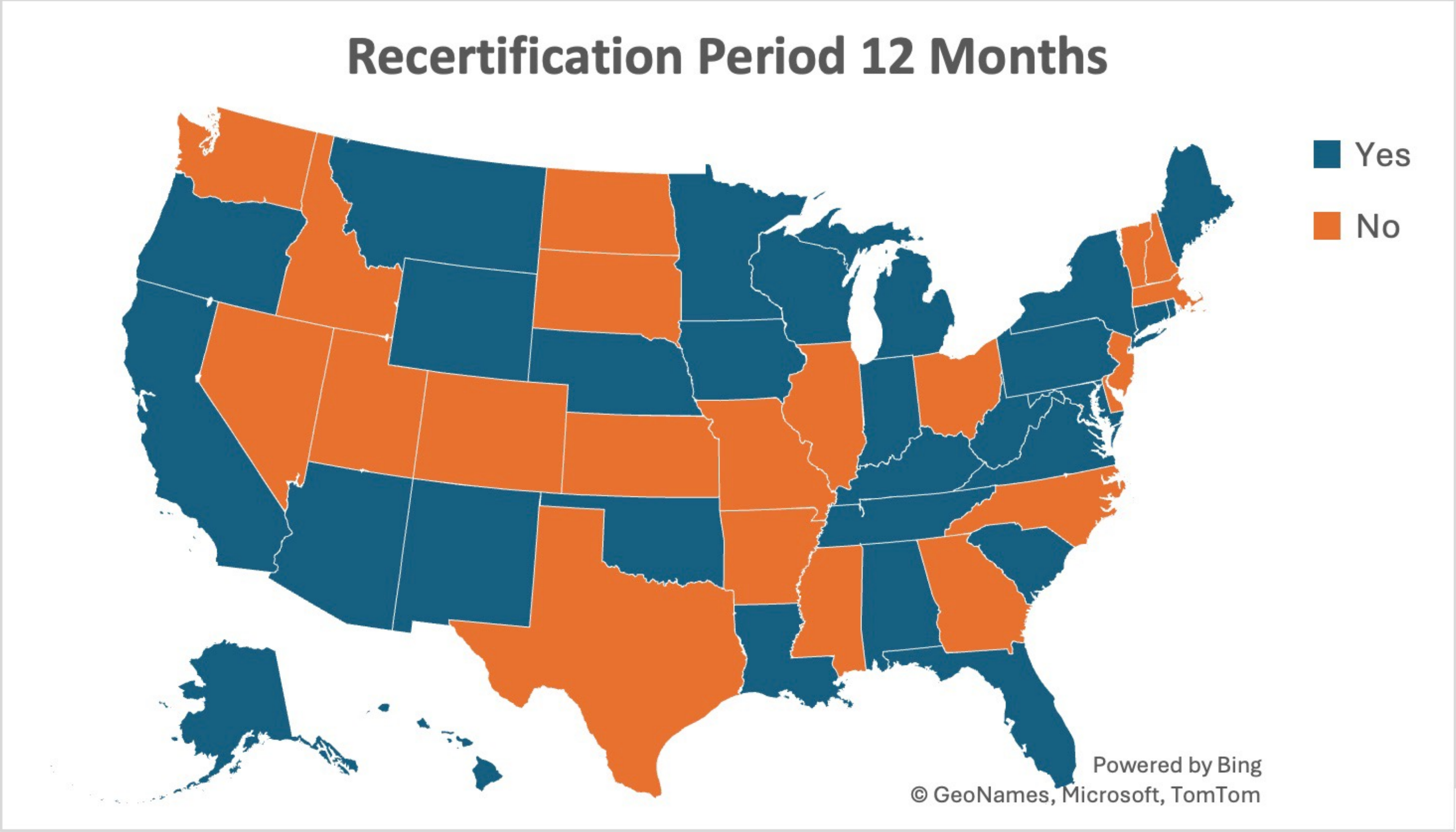
Are families with gross income above 130% FPL eligible for the SNAP benefit?	Can parents exclude legally obligated child support payments to other households from their gross income for eligibility consideration?	Does the state provide transitional SNAP benefits to families leaving TANF or state-funded cash assistance programs?	Does the state grant the simplified reporting option to all families with children experiencing changes in income or circumstances?

What can help now?

- Inform field workers and program participants of new rules **now** (e.g., Tennessee, which encourages submission of verification for exemptions by 10/31/25.).
- Provide information toolkits to support participants with changes and concrete suggestions for workarounds (e.g., Pennsylvania). These can include forms, as an example, for medical providers to certify disability proactively so that patients can provide them as documentation for exemption.
- If it is possible to change state rules to lengthen recertification periods to 12 months, this will ease administrative burdens somewhat (for both states and families).
- Technology assistance for caseworkers and state administrators designed to maintain timeliness AND accuracy of eligibility for participants.

More Generous Recertification Periods Ease Administrative Demand For States and Families

💡Just 22 states have set recertification periods of at least twelve months for all households, unconditionally. Setting a longer period now could help states and families adjust.



Thank you for listening.

Please reach out with any additional questions:
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