Friends Committee on National Legislation
Lobbying with Quakers

Answering Common Objections to the Proposal to Delay the SNAP Cost Shift

Response 1: The government cannot afford to pay billions of dollars to delay the cost shift. Where is $16 billion to delay the SNAP cost shift going to come from?

- *States* don't have the budgets to cover the cost shift. States have been working hard to reduce their error rates, but they haven't had the time or guidance to do so responsibly. Unlike Congress, states need to balance their budgets each year. As a result, to pay for the unexpected and impending cost shift, states will be forced to reduce funding for other social services, cut or eliminate SNAP benefits, raise taxes, or a combination of the three. Any of these options would shift costs onto families who are already struggling to put food on the table. We are already seeing the consequences as 3.5 million people have lost SNAP benefits across the country as states reduce their SNAP rolls.
- SNAP generates an enormous return on investment by improving life expectancy, boosting participants' educational and professional outcomes, and encouraging spending. Studies have found a $1 investment in SNAP ***generates*** $1.54 for the U.S. economy. Without a delay, millions of people will lose access to benefits, and the economy will suffer as a result.
- If Congress can find the funding for additional farm relief, it can find the funding to relieve families from the high cost of groceries and basic necessities.

Response 2: States need an incentive to reduce their error rates and clamp down on fraud; the cost shift provides that incentive.

- We are not asking to eliminate the cost-shift, just a two-year delay to give all states the same treatment. Currently, error rates are set lock in at the end of September. The government shutdown and delayed guidance for the U.S. Department of Agriculture have made it even more difficult for states to reduce their error rates in time. Many are responding by reducing SNAP caseloads. Struggling families should not be the ones penalized by losing food assistance because the state isn't able to reduce its error rate quickly enough, especially given the challenges over the past year.
- Under the current system, states with the highest error rates get an automatic two-year delay, paradoxically rewarding states with the most errors, and punishing those with

medium-sized error rates. The current system thus creates a *perverse* incentive for some states with moderate error rates to increase errors to qualify for an exemption to the cost share. A universal delay corrects this problem: We are simply asking for all states to be treated equally.

Response 3: Congress shouldn't roll back legislation that passed only one year ago.

- A delay is not a rollback. A delay will preserve the heart of the One Big Beautiful Bill Act's changes to SNAP. It will merely make the transition to the new cost-sharing structure smoother.
- Even though the legislation was passed recently, we cannot afford to take a "wait and see" approach when 3.5 million people have already lost access to SNAP in the past year. The need for a delay before further cuts go into effect is urgent.