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How Would a State Cost Share Affect SNAP in a Recession?

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April 2025

Recent proposals call for phasing out full federal funding of Supplemental Nutrition Assistance Program (SNAP) benefits, which would require states to contribute a share of the benefit costs. The SNAP Reform and Upward Mobility Act[1] and a proposal by Rachidi and Ford (2024), would phase in state cost-share amounts starting at 5 percent and rising to 50 percent over 10 years. This brief examines the potential effects of a 10 percent cost share during a recession, a period when state revenues typically decline, even without additional SNAP funding requirements.[2]

Since 1980, the National Bureau of Economic Research has recorded six US economic downturns.[3] The second most recent recession, known as the Great Recession, occurred in 2008 and 2009 and led to 5.3 percent of people in the labor force losing their jobs. While job loss was even greater in the COVID-19 recession, that was a relatively short recession driven by circumstances unique to the pandemic. In this analysis, we assume the degree of job loss is similar to the Great Recession[4] and estimate the potential outcomes with and without a 10 percent state cost share, reflecting the possible effects of a recession on SNAP during the initial stages of a phased-in cost share.

First, we estimate how a recession would impact SNAP under current law, with the cost of SNAP benefits fully paid by the federal government. In that case, if an increase in the unemployment rate were equal to that of the Great Recession, American households would experience the following:

- 1.8 million households experiencing job loss would apply for and receive SNAP

- 1.3 million households already participating in SNAP would qualify for higher benefits

- 481,000 people in families experiencing job loss would be kept out of poverty[5] by the new or increased SNAP benefits

In contrast, under the same set of recession assumptions but with a 10 percent state cost share, the following would occur:

- In addition to the SNAP benefit costs that states would already be required to pay under a cost-share model, states would need to spend an **additional** $980 million to cover increased benefit costs in the first year of the recession.

- If states did *not* increase their spending during the recession and instead reduced benefits for all participants to control costs, all SNAP participants—not just those who lost jobs—would face an average annual benefit reduction of $327 per household, and 862,000 people would fall into poverty who would otherwise be out of poverty if SNAP were fully funded.

Background

SNAP is the largest federal nutrition program in the US. In 2024, SNAP served more than 41 million people in an average month, helping eligible low-income households purchase food for their families.[6] A significant body of evidence documents the contribution of SNAP in reducing food insecurity (Ratcliffe, McKernan, and Zhang 2011) and poverty (Tiehen, Jolliffe, and Gundersen 2012); research also finds that SNAP participation may reduce health care expenditures for participants when compared with other low-income households who do not receive benefits (Berkowitz et al. 2017). SNAP benefits the larger economy, and during economic downturns, more people use SNAP, which leads to more spending, stimulating the economy. A recent analysis by USDA's Economic Research Service estimates that, in an economic recession, $1 billion dollars in SNAP benefits contributes a total of $1.54 billion in gross domestic product, generating 13,560 jobs (Canning and Stacy 2019).

Congress is currently debating significant reductions in SNAP spending, which could potentially overhaul the program (Bergh 2025). Several options have been proposed for reducing SNAP expenditures, but the policy proposal that would most significantly affect the program's core structure is shifting some of the responsibility for funding benefits to the states. Under current law, states pay 50 percent of the **administrative costs** of the program, while **benefit costs** are fully funded by the federal government. Two recent proposals, one by Rachidi and Ford (2024) and the other in the SNAP Reform and Upward Mobility Act introduced in March 2025 by Senator Mike Lee and Representative Josh Brecheen,[7] suggest a 10-year phase-in of state cost-sharing in SNAP benefits, ultimately landing at 50 percent of benefit costs.

Even a 10 percent cost share (the requirement in the second year of phase-in, in both recent proposals) would represent a substantial new cost to states. The Center on Budget and Policy Priorities estimates that, with a cost share of 10 percent, states would face new costs of nearly $9.3 billion in 2026 (Rosenbaum, Bergh, and Tharpe 2025). To put this in perspective, Pennsylvania's contribution would be about 1.5 times what the state spends on the community college system, Iowa's contribution would be about equal to its combined state spending on the Agriculture Department and on helping

people access treatment for addiction, and Kansas's payment would be equivalent to the salary of 725 public school teachers (Rosenbaum, Bergh, and Tharpe 2025).

Here, we look beyond the immediate challenge that states would face in paying a share of SNAP benefit costs to focus on the *additional* challenges they would face in a recession. We first demonstrate how, under current policy, SNAP would automatically expand to serve the needs of families experiencing job loss in a recession like the Great Recession. We then estimate what states would be required to pay under a 10 percent cost share for their share of the increased benefits.

States might find it difficult to absorb additional costs in a recession due to declining tax receipts as personal income falls and the need for safety net spending increases due to rising unemployment and poverty (Campbell and Sances 2013; General Accountability Office 2011; Van Nostrand, Feiveson, and Sinclair 2024). Although the federal government can spend more than it receives in revenue, nearly all states have balanced-budget requirements that constrain their ability to increase spending.[8] During the Great Recession, states with the strongest balanced-budget requirements and limits on increasing revenues closed most of their budget shortfalls through budget cuts at a time when the economy could have benefited from increased spending (Rueben, Randall, and Boddupalli 2018). If states are required to pay a share of SNAP benefit costs, they might look for ways to keep their spending on SNAP from rising in a recession or take the additional step of reducing their spending on SNAP to a lower level than before the recession to help offset decreased state tax revenues.

We are not aware of details from existing cost-share proposals on whether and how states could constrain SNAP spending. One approach might be to reduce benefit levels—a state match proposed in the Trump administration's 2018 budget offered to consider providing states with flexibility to "establish locally appropriate benefit levels."[9] We therefore illustrate the potential effect if states were permitted to cut back SNAP benefits proportionately for all participants to hold spending constant at the pre-recession level.[10]

Methods

We use the Analysis of Transfers, Taxes, and Income Security (ATTIS) model to illustrate the effects of a major recession on SNAP if a 10 percent cost share were in place.[11] ATTIS is a comprehensive microsimulation model of the government programs affecting US households and can reflect the actual economic circumstances, benefit policies, and program caseloads in a particular year as well as hypothetical scenarios. We use combined 2022 and 2023 American Community Survey (ACS) data, adjusted to reflect 2023 income and population.[12] The starting point for the analysis applies the federal and state policy rules for SNAP and other benefit programs in 2023 to the households in the adjusted data. To reflect current policy, we do not model temporary COVID-19-related expansions to SNAP that extended partly into 2023.[13] We also do not include state supplemental SNAP benefits provided in some states.[14]

We then model a substantial recession, based on the Great Recession, in which 5.3 percent of adults in the labor force lose their jobs.[15] We simulate eligibility for and receipt of unemployment

compensation and assume that extended weeks of unemployment benefits would be triggered in all states.[16] We re-estimate taxes, tax credits, and safety net program eligibility and benefits, accounting for changes in income, and assume that newly eligible families would take up different types of benefits—including SNAP—at rates similar to current uptake rates for families with similar income and demographic characteristics.[17] We show the effects of changes in SNAP benefits on poverty using a modified version of the Supplemental Poverty Measure.[18]

We model two recession scenarios. The first scenario reflects current law, in which the federal government continues to pay for all benefits and SNAP spending automatically increases in response to the recession. The second scenario assumes that a 10 percent state cost share is in place, and that states adjust benefits so that SNAP spending does not increase. We assume that states would accept new applicants for SNAP but would prevent total benefit costs from rising above prerecession levels by applying a percentage reduction (ranging from 6 to 21 percent) to benefits for all participating households (not just households with earnings loss from the recession).[19]

Under Current Law, SNAP Spending Rises to Meet Need

In all prior recessions through the history of the SNAP program, spending on SNAP has automatically increased to provide benefits to applicants newly eligible for SNAP and to current participants who qualify for an increase in benefits because of lost earnings. We estimate that if the nation experienced a recession like the Great Recession, spending on SNAP would automatically increase by $9.8 billion, providing benefits to 1.8 million households newly applying[20] and increasing the benefits of 1.3 million currently participating households.[21] Benefits vary with household size and income, but on average, we estimate that households who would newly apply for SNAP would receive $4,060 in annual benefits. Currently participating households who lost jobs because of the recession would receive an average annual benefit increase of $2,103 (table 1). SNAP's automatic spending increase would benefit households across states and demographic groups (table 2). The availability of SNAP would keep resources above poverty for 481,000 people (including 193,000 children) who, without the new or increased SNAP benefits, would see their families' resources drop below poverty due to job loss. (See the appendix (https://www.urban.org/research/publication/how-would-state-cost-share-affect-snap-recession) for results for additional demographic groups.)

TABLE 1

Under Current Policy, SNAP Automatically Expands to Help Working Households Who Lose Jobs in a Recession

Simulated scenario reflecting a recession like the Great Recession

	New applicants, annual households (1,000s)	New applicants, average annual household benefit	Current participants eligible for increased benefits, annual households (1,000s)	Current participants eligible for increased benefits, average increase	Aggregate increase in SNAP benefits due to recession (millions $)	People kept out of poverty by SNAP response to recession (1,000s)	Children kept out of poverty by SNAP response to recession (1,000s)
National total	1,825	$4,060	1,320	$2,103	$9,797	481	193
Alabama	35	$4,831	18	$1,798	$201	10	4
Alaska	3	$5,846	2	$2,505	$22	3	1
Arizona	41	$4,370	27	$2,365	$235	13	5
Arkansas	17	$4,151	6	$3,404	$91	4	1
California	214	$3,761	224	$1,719	$1,109	57	21
Colorado	28	$3,583	20	$1,934	$132	7	4
Connecticut	15	$3,782	12	$2,248	$80	7	3
Delaware	5	$3,582	5	$2,562	$28	1	1
Dist. of Columbia	4	$3,123	3	$1,422	$15	1	< 0.5
Florida	111	$3,819	93	$2,303	$623	27	11
Georgia	73	$4,118	43	$1,901	$367	14	6
Hawaii	7	$8,631	7	$4,297	$84	4	1
Idaho	9	$4,342	4	$2,245	$46	3	1
Illinois	70	$4,110	59	$1,945	$382	23	9
Indiana	43	$4,521	17	$2,196	$226	10	4
Iowa	15	$3,788	9	$2,664	$78	3	1
Kansas	16	$4,246	6	$2,517	$81	5	3
Kentucky	30	$4,483	12	$2,777	$164	8	3
Louisiana	36	$4,844	23	$1,947	$217	9	4
Maine	8	$3,754	4	$2,905	$40	2	1
Maryland	27	$3,594	23	$2,500	$150	3	1
Massachusetts	31	$3,406	29	$1,526	$131	7	2
Michigan	55	$4,356	48	$2,542	$349	19	6
Minnesota	21	$3,621	16	$2,188	$107	7	3
Mississippi	21	$4,922	10	$1,912	$121	7	3
Missouri	44	$4,486	18	$2,101	$231	12	6
Montana	6	$4,938	2	$1,649	$33	3	2
Nebraska	11	$4,797	6	$1,818	$62	2	1
Nevada	20	$4,087	17	$2,168	$113	5	2
New Hampshire	4	$4,511	2	$2,589	$23	< 0.5	< 0.5
New Jersey	31	$3,400	22	$1,830	$135	9	4
New Mexico	17	$4,058	15	$2,451	$100	6	3
New York	101	$3,507	82	$1,731	$464	23	9

	New applicants, annual households (1,000s)	New applicants, average annual household benefit	Current participants eligible for increased benefits, annual households (1,000s)	Current participants eligible for increased benefits, average increase	Aggregate increase in SNAP benefits due to recession (millions $)	People kept out of poverty by SNAP response to recession (1,000s)	Children kept out of poverty by SNAP response to recession (1,000s)
North Carolina	61	$4,076	47	$2,585	$361	15	6
North Dakota	3	$5,023	2	$1,650	$18	< 0.5	< 0.5
Ohio	67	$4,470	36	$2,024	$367	16	7
Oklahoma	31	$4,826	20	$2,439	$193	12	5
Oregon	25	$3,373	22	$1,677	$112	9	3
Pennsylvania	67	$3,953	57	$2,259	$372	26	12
Rhode Island	4	$3,430	4	$2,097	$23	4	1
South Carolina	31	$4,043	15	$2,015	$153	7	3
South Dakota	5	$5,055	2	$1,812	$31	1	< 0.5
Tennessee	45	$4,083	21	$2,210	$227	7	3
Texas	173	$4,046	113	$2,217	$924	32	13
Utah	16	$5,451	7	$1,709	$97	5	2
Vermont	3	$3,717	2	$3,363	$19	2	1
Virginia	38	$3,933	24	$2,703	$214	8	4
Washington	40	$3,914	33	$2,253	$218	11	4
West Virginia	9	$3,295	8	$2,892	$50	4	2
Wisconsin	34	$3,457	22	$2,136	$161	7	3
Wyoming	3	$6,028	< 0.5	$2,591	$18	1	1

Source: Authors' estimates produced using the Urban Institute's ATTIS model (Analysis of Transfers, Taxes, and Income Security) applied to combined 2022 and 2023 American Community Survey (ACS), reweighted to reflect 2023 population and income characteristics. ACS data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.

Notes: Household refers to the SNAP assistance unit. Poverty is measured using the ATTIS model's adaptation of the Supplemental Poverty Measure (SPM), excluding out-of-pocket medical expenses. SNAP is modeled with 2023 policy rules, excluding the emergency allotments that ended nationwide in February 2023 and temporary COVID-era measures in other programs. The estimates capture state variation in Broad Based Categorical Eligibility rules and other state options but do not include state funded supplements to SNAP. The recession is modeled after the Great Recession, in which 5.3 percent of adults in the labor force lose their jobs.

TABLE 2
Characteristics of Households Affected by Job Loss and Eligible for SNAP Assistance under Current Policy

Simulated scenario reflecting a recession like the Great Recession

	New applicants, annual households (1,000s)	New applicants, average annual household benefit	Current participants eligible for increased benefits, annual households (1,000s)	Current participants eligible for increased benefits, average increase	People kept out of poverty by SNAP response to recession (1,000s)	Children kept out of poverty by SNAP response to recession (1,000s)
National total	1,825	$4,060	1,320	$2,103	481	193
Prerecession work status[1]						
Full time and full year	1,612	$4,204	492	$3,222	382	161
Part time or part year	212	$2,980	687	$1,623	81	29
Age of household head						
Under 30	576	$3,472	401	$1,926	107	36
30 to 49	904	$4,620	641	$2,529	294	143
50 to 59	264	$3,657	156	$1,745	50	12
60+	81	$3,296	122	$906	30	3
Metropolitan status[2]						
Metro area	1,435	$3,961	1,066	$2,020	365	146
Nonmetro area	162	$4,384	105	$2,365	52	21
Race and ethnicity[3]						
Asian American and Pacific Islander, non-Hispanic	102	$3,900	85	$1,801	23	7
Black, non-Hispanic	340	$3,602	274	$2,096	78	33
Hispanic	441	$4,026	414	$2,057	134	56
White, non-Hispanic	833	$4,259	465	$2,203	215	84

Source: Authors' estimates produced using the Urban Institute's ATTIS model (Analysis of Transfers, Taxes, and Income Security) applied to a combination of 2022 and 2023 American Community Survey (ACS), reweighted to reflect 2023 population and income characteristics. ACS data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.

Notes: Household refers to the SNAP assistance unit. Poverty is measured using the ATTIS model's adaptation of the Supplemental Poverty Measure (SPM), excluding out-of-pocket medical expenses. SNAP is modeled with 2023 policy rules, excluding the emergency allotments that ended nationwide in February 2023 and temporary COVID-era measures in other programs. The estimates capture state variation in Broad Based Categorical Eligibility rules and other state options but do not include state funded supplements to SNAP. The recession is modeled after the Great Recession, in which 5.3 percent of adults in the labor force lose their jobs.

[1] If the SNAP household included at least one person working at least 35 hours per week for 50 weeks of the year, the household is classified as having a "full-time" and "full-year" worker. All other households experiencing job loss had no full-time and full-year worker but had at least one worker working part-time or part-year.

[2] Estimates for areas not identifiable as metropolitan or nonmetropolitan are included in the total but not shown separately.

[3] We use the term "Hispanic" here; survey respondents are asked to report race and ethnicity, including whether they identify as being of "Hispanic, Latino, or Spanish origin." Groups are listed here in alphabetical order. The group "Asian American & Pacific Islander" includes native Hawaiians. Non-Hispanic Native Americans and people non-Hispanic people of more than one race are not identified separately due to data limitations.

With a Cost Share, State Costs Would Rise in Recession

If Congress enacts legislation that requires states to share the cost of SNAP benefits and no provisions are made to reduce required state contributions in recessionary periods, states could face substantial new costs in a recession. These additional costs during a recession would come on top of the billions of dollars in benefit costs that states are already estimated to bear under a cost-share requirement, even without a recession (Rosenbaum, Bergh, and Tharpe 2025).

We estimate that, with a 10 percent cost-share requirement, states would face a combined annual $980 million in increased SNAP costs in a recession like the Great Recession (table 3). The increase in costs ranges from $2 million per year in the District of Columbia and less populated states including Alaska, North Dakota, Vermont, and Wyoming, to $92 million in Texas and $111 million in California. (Of course, these figures would be higher if a cost share reached the 50 percent envisioned by recent proposals.)

TABLE 3

State Share of Increased SNAP Benefit Costs during a Recession under a 10 Percent Cost-Share Scenario and the Estimated Effect If States Reduce Benefits to Keep Costs from Rising

Simulated scenario reflecting a recession like the Great Recession

State	State share of increased benefits with 10 percent cost share (millions $)	Hypothetical Scenario: States Prevent SNAP Costs from Rising in Recession Using Across-the-Board Benefit Cuts				
		Percent benefit reduction	Annual affected households (1,000s)	Average annual benefit reduction (relative to full funding)	People in poverty because of benefit cuts (1,000s)	Children in poverty because of benefit cuts (1,000s)
National total	$980	N/A	30,284	$327	862	355
Alabama	$20	11%	539	$377	22	7
Alaska	$2	15%	39	$583	2	1
Arizona	$24	12%	630	$378	21	10
Arkansas	$9	15%	195	$472	13	6
California	$111	10%	3,955	$283	88	37
Colorado	$13	11%	442	$296	11	4
Connecticut	$8	9%	302	$266	6	1
Delaware	$3	12%	83	$351	2	1
Dist. of Columbia	$2	7%	87	$195	1	< 0.5
Florida	$62	10%	2,236	$279	43	17
Georgia	$37	11%	1,041	$356	32	16
Hawaii	$8	10%	122	$698	3	1

State	State share of increased benefits with 10 percent cost share (millions $)	Hypothetical Scenario: States Prevent SNAP Costs from Rising in Recession Using Across-the-Board Benefit Cuts				
		Percent benefit reduction	Annual affected households (1,000s)	Average annual benefit reduction (relative to full funding)	People in poverty because of benefit cuts (1,000s)	Children in poverty because of benefit cuts (1,000s)
Idaho	$5	14%	101	$459	4	2
Illinois	$38	9%	1,365	$285	30	12
Indiana	$23	14%	453	$504	21	9
Iowa	$8	13%	204	$382	6	2
Kansas	$8	16%	157	$516	6	3
Kentucky	$16	13%	383	$438	20	7
Louisiana	$22	11%	565	$393	19	8
Maine	$4	11%	142	$274	3	1
Maryland	$15	11%	490	$310	11	5
Massachusetts	$13	6%	756	$174	9	3
Michigan	$35	11%	1,049	$338	30	11
Minnesota	$11	12%	359	$304	9	4
Mississippi	$12	12%	286	$427	11	5
Missouri	$23	14%	495	$469	20	7
Montana	$3	14%	67	$481	5	2
Nebraska	$6	16%	120	$522	8	3
Nevada	$11	11%	338	$335	11	5
New Hampshire	$2	12%	65	$363	2	1
New Jersey	$13	7%	564	$241	13	7
New Mexico	$10	10%	299	$338	7	4
New York	$46	7%	2,100	$223	47	20
North Carolina	$36	11%	1,090	$335	35	12
North Dakota	$2	14%	36	$496	1	< 0.5
Ohio	$37	11%	1,035	$359	38	15
Oklahoma	$19	12%	456	$435	20	8
Oregon	$11	8%	548	$202	12	6
Pennsylvania	$37	9%	1,331	$287	37	14
Rhode Island	$2	8%	111	$210	5	1
South Carolina	$15	11%	432	$360	18	7
South Dakota	$3	14%	56	$553	2	1
Tennessee	$23	12%	573	$400	21	11
Texas	$92	12%	2,281	$408	76	37
Utah	$10	19%	134	$731	4	2
Vermont	$2	12%	58	$321	2	< 0.5
Virginia	$21	13%	637	$338	15	6
Washington	$22	11%	694	$317	22	9

		Hypothetical Scenario: States Prevent SNAP Costs from Rising in Recession Using Across-the-Board Benefit Cuts			
State	**State share of increased benefits with 10 percent cost share (millions $)**	**Percent benefit reduction**	**Annual affected households (1,000s)**	**Average annual benefit reduction (relative to full funding)**	**People in poverty because of benefit cuts (1,000s)**	**Children in poverty because of benefit cuts (1,000s)**
West Virginia	$5	8%	225	$226	5	2
Wisconsin	$16	12%	536	$302	9	3
Wyoming	$2	21%	23	$776	4	2

Source: Authors' estimates produced using the Urban Institute's ATTIS model (Analysis of Transfers, Taxes, and Income Security) applied to combined 2022 and 2023 American Community Survey (ACS), reweighted to reflect 2023 population and income characteristics. ACS data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.

Notes: Household refers to the SNAP assistance unit. Poverty is measured using the ATTIS model's adaptation of the Supplemental Poverty Measure (SPM), excluding out-of-pocket medical expenses. SNAP is modeled with 2023 policy rules, excluding the emergency allotments that ended nationwide in February 2023 and temporary COVID-era measures in other programs. The estimates capture state variation in Broad Based Categorical Eligibility rules and other state options but do not include state funded supplements to SNAP. The recession is modeled after the Great Recession, in which 5.3 percent of adults in the labor force lose their jobs.

If States Cut Benefits, Poverty Would Increase

States facing difficulty in meeting their share of increased SNAP costs during a recession might look for ways to reduce the growth in SNAP costs (as opposed to lowering other spending or increasing a tax to obtain the funds for their share of higher costs). To our knowledge, current proposals do not specify actions that states could take to control SNAP costs. Two broad categories of approaches to keep total benefits from rising despite increased demand for aid would be limiting new participants (while maintaining the same benefit computation policies) and instituting policies to pay lower benefits (in order to not restrict new caseload). If states were permitted to create wait lists for new applicants and participants seeking upward adjustments of their benefits due to job loss, then households would not experience the increases in benefits and decreases in poverty experienced under current rules (as illustrated in tables 1 and 2). If states were permitted to reduce benefit levels across the board to provide additional funds to serve new applicants, we estimate that—in the context of the type of recession assumed here—benefits would fall by an average $327 per household annually (relative to what would be received during the recession under current rules), with average annual benefit reductions ranging from $174 in Massachusetts to $776 in Wyoming (table3).[22] With many participant households having income just above the Supplemental Poverty Measure level, the reduction in SNAP benefits would move an estimated 862,000 people and 355,000 children into poverty (relative to the number who would be below the poverty level during the recession under current rules), affecting all

states and demographic groups (tables 3 and 4). The additional people in poverty would include both people in families who lost jobs (some of whom would have been kept out of poverty by higher SNAP benefits) and people in households unaffected by job loss.

Estimated Effect if States Reduce Benefits to Keep SNAP Costs from Rising during a Recession under a State Cost-Share Scenario
Simulated scenario reflecting a recession like the Great Recession

Characteristic	Annual affected households (1,000s)	Average annual benefit reduction (relative to full funding)	People in poverty because of benefit cuts (1,000s)	Children in Poverty Because of Benefit Cuts (1,000s)
National total	30,284	$327	862	356
Prerecession work status[1]				
Full time and full year	6,764	$426	286	145
Part time or part year	10,036	$336	256	120
Age 60+ or with disability	10,041	$218	249	53
Other	3,444	$424	72	38
Age of household head				
Under 30	6,261	$341	140	63
30 to 49	10,905	$440	450	247
50 to 59	4,309	$280	103	28
60+	8,809	$200	169	18
Metropolitan status[2]				
Metro area	23,756	$317	636	270
Non-metro area	2,742	$360	107	41
Race and ethnicity[3]				
Asian American and Pacific Islander, non-Hispanic	1,339	$294	32	10
Black, non-Hispanic	6,036	$349	202	94
Hispanic	6,682	$336	206	99
White, non-Hispanic	14,479	$312	372	129

Source: Authors' estimates produced using the Urban Institute's ATTIS model (Analysis of Transfers, Taxes, and Income Security) applied to combined 2022 and 2023 American Community Survey (ACS), reweighted to reflect 2023 population and income characteristics. ACS data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: Household refers to the SNAP assistance unit. Poverty is measured using the ATTIS model's adaptation of the Supplemental Poverty Measure (SPM), excluding out-of-pocket medical expenses. SNAP is modeled with 2023 policy rules, excluding the emergency allotments that ended nationwide in February 2023 and temporary COVID-era measures in other programs. The estimates capture state variation in Broad Based Categorical Eligibility rules and other state options but do not include state funded supplements to SNAP. The recession is modeled after the Great Recession, in which 5.3 percent of adults in the labor force lose their jobs.
[1] If the SNAP household included at least one person working at least 35 hours per week for 50 weeks of the year, the household is classified as having a "full-time and full-year" worker, otherwise if there was a person working part time or part year, the household is classified as "part-time" or "part-year." Nonworker households are categorized by whether they include a person age 60 or older or with a disability; if not, they are classified as "other."

[3] We use the term "Hispanic" here; survey respondents are asked to report race and ethnicity, including whether they identify as being of "Hispanic, Latino, or Spanish origin." Groups are listed here in alphabetical order. The group "Asian American & Pacific Islander" includes native Hawaiians. Non-Hispanic Native Americans and people non-Hispanic people of more than one race are not identified separately due to data limitations.

Conclusion

Requiring states to share the cost of SNAP benefits would present a fundamental shift to SNAP. States would face substantial costs with a 10 percent cost share, and much more so under proposals that would extend the cost-share requirement to 50 percent.

SNAP's current funding structure automatically delivers benefits to working families who lose jobs in a recession, helping to put food on the table, reduce the number of families who would fall below the poverty level, and stimulate local economies. However, if SNAP is restructured to require states to pay a share of benefit costs, states will face increased costs that might become unsustainable in recessionary periods when state budgets are particularly hard pressed. Our estimates show what would happen if states **held SNAP spending constant** at pre-recession levels. If states **reduced** total spending on SNAP in response to a recession, for example, to help offset reductions in tax revenue, the reduction in benefits and the increase in poverty would be greater than shown here.

Although Congress might step in during a recession to enact legislation temporarily expanding SNAP—as occurred in the Great Recession and during the COVID-19 pandemic—such action is not guaranteed. Without federal action, states would be left to navigate the increased costs on their own. To the extent that states responded to increased benefit costs during a recession by cutting back access or benefit amounts, SNAP's ability to stimulate local economies during a recession would be weakened, and households would receive fewer SNAP benefits at a time of increased need. We illustrate the potential effects on benefits and poverty, assuming a 10 percent cost share in which states reduce benefits to hold spending constant at prerecession levels. With a 50 percent cost share, states might modify their programs to considerably reduce eligibility and benefit levels, further reducing SNAP's ability to respond to increased need during a recession.

Notes

[1] "Lee Introduces SNAP Reform and Upward Mobility Act for 119th Congress,", Mike Lee US Senator for Utah, March 31, 2025, https://www.lee.senate.gov/2025/3/lee-introduces-snap-reform-and-upward-mobility-act-for-119th-congress.

[2] Kathryn White, "State Budget Basics during an Economic Downturn," NASBO blog, May 6, 2020, https://community.nasbo.org/budgetblogs/blogs/kathryn-white/2020/05/06/state-budget-basics-during-an-economic-downturn.

[3] "Business Cycle Dating," National Bureau of Economic Research, accessed April 27, 2025, https://www.nber.org/research/business-cycle-dating.

4   Our goal is not to predict the characteristics of the next recession, but rather to base our example on an actual recession. The effect of a recession on SNAP could vary depending on the number and types of jobs lost and the duration of the recession.

5   We measure poverty using a modified version of the Supplemental Poverty Measure.

6   For information about SNAP participation, see "National Level Annual Summary" US Department of Agriculture, Food and Nutrition Service, last updated April 11, 2025, https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap.

7   "Lee Introduces SNAP Reform and Upward Mobility Act for 119th Congress," March 31, 2025, Mike Lee US Senator for Utah, https://www.lee.senate.gov/2025/3/lee-introduces-snap-reform-and-upward-mobility-act-for-119th-congress.

8   "What Are State Balanced Budget Requirements and How Do They Work?" Tax Policy Briefing Book, Tax PolicyCenter, accessed April 26, 2025, https://taxpolicycenter.org/news/unrigging-economy-will-require-enforcing-tax-laws, accessed 4/26/2025.

9   "A New Foundation for American Greatness: Fiscal Year 2018," Page 10, Budget of the US Government, Office of Management and Budget, accessed April 18, 2025, https://www.govinfo.gov/content/pkg/BUDGET-2018-BUD/pdf/BUDGET-2018-BUD.pdf.

10 An across-the-board reduction would be similar to approaches used in some states' TANF programs, which pay a benefit equal to only a percentage of a family's income deficit. See Dehry, Knowles, Shantz, and Goldsmith, 2024, Table II.A.2.

11 For more information about ATTIS, see https://www.urban.org/tags/attis-microsimulation-model.

12 We use the IPUMS version of the ACS developed by the University of Minnesota (Ruggles et al. 2025).

13 We do not model the COVID-19-response emergency allotments that ended nationwide in February 2023 or the temporary expansion of SNAP eligibility for college students that ended in July 2023. We model the restoration of time limits beginning in July 2023 for able bodied adults who do not meet work requirements in states without waivers in 2023.

14 For example, we do not simulate New Jersey's increased minimum benefit or state-funded benefits for some noncitizens in some states.

15 The unemployment rate increased from 4.7 percent in the month before the recession began (November 2007) to 10 percent in October 2009. (See Bureau of Labor Statistics databases, Series ID LNS14000000, https://www.bls.gov/data/#unemployment). To create this increase in the survey data, we remove jobs from working individuals in such a way that the relative decline in employment across key subgroups—defined by age groups, race and ethnicity, sex, citizenship status, metropolitan status, marital and parent status, and educational level—matches the relative decline across subgroups observed in the Great Recession, at the national level. Individuals losing jobs are assumed to lose all their annual earnings.

16 Unemployment benefits are typically available for 26 weeks in most states, with shorter periods in some states. However, when a state is experiencing high unemployment, the federal extended benefits program is triggered, providing 13 weeks of additional benefits. Also, some states increase their weeks of state-funded benefits when the unemployment rate increases; the simulation captures those increases.

17 In the case of three benefits funded by block grants—cash aid through the Temporary Assistance for Needy Families (TANF) program, child care subsidies funded by the Child Care and Development Fund, energy aid through the Low Income Home Energy Assistance Program—we do not model any new recipients because, to provide more benefits, states would have to augment the block grant funds.

18 We base our approach on the Census Bureau's SPM methodology (Creamer et al. 2022; Fox, Glassman, and Pacas 2020) and adapt it for use with ATTIS data. The Census Bureau's ACS2023 SPM research file was not available at the time of the analysis and so we applied the Census Bureau's 2022 geographic adjustments to the 2023 data and estimated the SPM without medical out-of-pocket expenses.

[19] The reduction is computed for each state so that aggregate benefits remain at prerecession levels; the reductions range from 6 percent to 21 percent.

[20] Some people would become eligible for SNAP in a recession but choose not to apply. Our estimates take this into account and assign newly eligible people to participate in SNAP at similar rates as do currently eligible participants with similar characteristics and state of residence.

[21] The $9.8 billion increase represents an 11 percent increase in annual benefits relative to spending without the recession (not shown). This is well below the increase in SNAP spending in response to the Great Recession and COVID-19 public health emergency. However, much of the spending increase in those two periods was driven by policy changes, including a 13.6 percent increase to the maximum benefit during the Great Recession, and increased maximum benefits, emergency allotments, and other policy changes during the COVID-19 public health emergency (Jones 2024).

[22] In general, the average benefit reduction will be larger in states experiencing the biggest increase in SNAP applications and benefit increases relative to the size of their existing caseload.

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Acknowledgments

Margaret Todd. Further, we thank Gregory Acs, Colleen Heflin, and Sarah Minton for their careful review of earlier versions of this report, Kevin Moclair for skillful research support for this analysis, and Alex Dallman for insightful editorial support.

The views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders. Funders do not determine research findings or the insights and recommendations of Urban experts. Further information on the Urban Institute's funding principles is available at shttps://www.urban.org/about/organizational-principles.

About ATTIS

The Urban Institute's Analysis of Transfers, Taxes, and Income Security (ATTIS) microsimulation model allows Urban experts to examine how today's safety net supports US families and how changes to it could affect their economic well-being. By using data and evidence created with ATTIS, today's decisionmakers are better positioned to advance equitable and effective policy solutions that help individuals and families meet their basic needs. To learn more, visit https://www.urban.org/tags/attis-microsimulation-model.