

## Estimated Effects of Public Law 119-21 on Participation and Benefits Under the Supplemental Nutrition Assistance Program

This document provides information about the estimated effects of title I, subtitle A, of Public Law 119-21, an act to provide for reconciliation pursuant to title II of H. Con. Res. 14, on participation in and benefits under the Supplemental Nutrition Assistance Program (SNAP). Specifically, supplemental material is provided for sections 10101 through 10105 and 10108. These estimates are relative to CBO's January 2025 baseline projections.

Unless noted otherwise, the effects presented here are for each section as if implemented on its own; they do not account for interactions among provisions. Because of overlap in the affected populations, the effects of simultaneously implementing all of the provisions differ from the sum of effects of implementing each provision separately.

The Congressional Budget Office estimates that P.L. 119-21 will affect SNAP participation and benefits as follows.

### **Thrifty Food Plan**

Section 10101 caps annual increases in the cost of the Thrifty Food Plan (TFP) at the rate of growth in the consumer price index for all urban consumers. The TFP is a basket of foods selected by the Department of Agriculture to provide a nutritious diet for a household of a particular size. The maximum SNAP benefit is determined by the number of people in the household and the cost of the TFP for a household of that size.

CBO's January 2025 baseline projections reflected the expectation that the scheduled reevaluations for 2027 and 2032 would increase the cost of the TFP. Section 10101 does not permit those reevaluations to increase the cost of the TFP, however. As a result, CBO estimates that beginning in 2027, the average monthly benefit will be smaller than it would have been in CBO's January 2025 baseline projections; by 2034 that benefit will be \$213 compared with \$227 in the baseline projection for that year. CBO does not expect that section 10101 will affect participation.

### **Work Requirements**

Section 10102 expands the program's work requirements to apply to able-bodied adults

Note: This document supplements information presented in Congressional Budget Office, letter to the Honorable Brendan F. Boyle, the Honorable Hakeem Jeffries, the Honorable Jeff Merkley, and the Honorable Chuck Schumer concerning the distributional effects of Public Law 119-21 (August 11, 2025), www.cbo.gov/publication/61367.

<sup>1.</sup> See Congressional Budget Office, estimated budgetary effects of Public Law 119-21, to provide for reconciliation pursuant to title II of H. Con. Res. 14, relative to CBO's January 2025 baseline (July 21, 2025), www.cbo.gov/publication/61570.

through age 64 who do not live with dependent children and to adults ages 18 to 64 who live with children age 14 or older. The section also eliminates exclusions from work requirements for veterans, people experiencing homelessness, and people ages 18 to 24 who were in foster care when they turned 18. It creates new exclusions for American Indians. Before the enactment of P.L. 119-21, certain able-bodied adults ages 18 to 54 who do not live with dependents were required to work or attend a training program for at least 80 hours a month to receive SNAP benefits for more than 3 months within a 36-month period. (Starting in 2031, that requirement would have applied only to people under age 50.)

Section 10102 restricts states' ability to waive work requirements only for counties with an unemployment rate above 10 percent. Alaska and Hawaii can waive work requirements if their state unemployment rate is at least 1.5 times the national rate. The section also allows Alaska and Hawaii to request an exemption from work requirements. Before the enactment of P.L. 119-21, states could waive the requirement for people who live in an area, as defined by the state, that has an unemployment rate above 10 percent or in an area that does not have available a sufficient number of jobs.

CBO estimates that together those provisions will reduce participation in SNAP by roughly 2.4 million people in an average month over the 2025-2034 period. Of those people, about 800,000 will be able-bodied adults through age 64 who do not live with dependent children. Another 300,000 will be able-bodied adults ages 18 to 64 who live with children who are age 14 or older. And roughly 1 million will be able-bodied adults ages 18 to 54 (or 18 to 49, starting in 2031) who do not live with dependents but who, in CBO's January 2025 baseline projections (which preceded the law's enactment), would have received a waiver from the work requirements.

CBO estimates that the reductions in participation for veterans, people experiencing homelessness, and people ages 18 to 24 who were in foster care when they turned 18 will be partially offset by increases in participation among American Indians, resulting in a net reduction in SNAP participation of 300,000 people in those groups.

# **Availability of Standard Utility Allowance Based on Receipt of Energy Assistance**

Section 10103 eliminates the automatic qualification for a heating and cooling allowance for households that receive energy assistance but do not have an elderly or disabled member. The value of that allowance is used, along with other factors, to determine the amount of housing expenses that households can deduct from their income to calculate SNAP benefit amounts. CBO expects that the monthly SNAP benefit will decrease by roughly \$100 for about 3 percent of households, on average, in each year over the 2026-2034 period.

#### **Restrictions on Internet Expenses**

Section 10104 excludes Internet expenses from an allowance that is used, along with other factors, to determine the amount of housing expenses that households can deduct from their income to calculate SNAP benefit amounts. CBO expects that the SNAP monthly benefit will decrease by about \$10 for roughly 65 percent of households, on average, in each year over the 2026-2034 period.

### **Matching Funds Requirements**

Section 10105 requires states with payment error rates that are 6 percent or greater to pay at least 5 percent of the SNAP benefit costs in their state starting in 2028, up to a maximum cost share of 15 percent. Before the enactment of P.L. 119-21, the federal government paid the full cost of benefits. The payment error rate measures the accuracy of a state's eligibility determinations and benefit payments. It includes underpayments and overpayments. Under the provision, if a state's error rate in 2025 or 2026, multiplied by 1.5, exceeds 20 percent, the state will not pay for benefit costs until 2029 or 2030, respectively. CBO estimates that section 10105 will reduce direct spending by \$41 billion over the 2028-2034 period. Most of that reduction (about \$35 billion) stems from states paying a portion of SNAP benefits.

CBO expects that there will be a variety of state responses to the new requirement: some states will maintain current benefits and eligibility; others will modify benefits or eligibility or leave the program altogether. CBO estimated state responses in the aggregate using a probabilistic approach to account for such a range of possible outcomes.

Under that approach, CBO expects that in an average month over the 2028-2034 period states collectively will reduce or eliminate SNAP benefits for about 300,000 people. Those changes will reduce direct spending by about \$7 billion over the period, CBO estimates. CBO also estimates that in an average month subsidies provided through child nutrition programs will decrease for about 96,000 children, reducing direct spending by about \$170 million over the 2028-2034 period.

## Noncitizen Eligibility for SNAP Benefits

Section 10108 limits SNAP eligibility to citizens, lawful permanent residents (also known as green card holders), Cuban or Haitian entrants, and people who are in the United States under the Compact of Free Association. CBO expects that in an average month about 90,000 people will become ineligible for a SNAP benefit. In CBO's January 2025 baseline projections those people would have received about \$210 per month, on average, over the 2026-2034 period.