



## FEDERAL LEGISLATION (H.R. 1) WILL CHANGE SNAP PROGRAM FINANCES December 2025

**What is the Supplemental Nutritional Assistance Program (SNAP)?** The SNAP program provides monthly resources to nearly 1.4 million low-income Ohioans to help with the purchase of food. Benefit amounts decline as income rises. The average monthly benefit per person is \$188. **SNAP infused \$3.2 billion into Ohio's economy in FFY 2024.**

**H.R. 1 will impact the cost of SNAP administration, and possibly the cost of SNAP benefits.**

- **Impact #1: Administration** (October 2026) - The federal matching rate for SNAP administration will be cut in half, from 50% to 25%. Counties will lose \$51 million in annual resources as a result and will need to lay off or furlough staff in the first half of 2026 without state help. Cuts in county administration will negatively impact the state's payment error rate, potentially increasing the state's cost share for program benefits.
- **Impact #2: Benefits** (October 2027) - States will become responsible for a share of benefit costs if their payment error rate is above 6%. Ohio's FFY 2024 error rate was 9.01%, which is below the national average, but still in the zone of potential liability.
- *OJFSDA is seeking a supplemental appropriation for SFY 2027 to stabilize staffing levels and make investments in IT systems and training to continue working with the state to bring down the error rate and avoid hundreds of millions of dollars of benefits cost share in the next state budget.*

**What is the impact of the cut to the federal matching funds for administration?**

Starting October 2026, the federal match rate will be cut in half, from 50% to 25%.

- This change will remove a total of approximately \$70 million in federal support (\$51 million counties, \$19 million state) from SNAP Administration each year. (For SFY 2027, this will be a nine month loss of \$38 million for counties because the federal fiscal year starts in October).
- Counties are already implementing hiring freezes and anticipating the potential need to make layoffs and furloughs for next year. ***These staff reductions will have a devastating effect on both timeliness and quality control, and will likely lead to the state paying hundreds of millions of dollars annually toward SNAP benefits starting in October 2027 (the next state budget biennium).***

**What is an administrative expense?** Administrative expenses include properly identifying who is eligible and who is not for SNAP, what their precise benefit amount should be, identifying and

pursuing potential fraud, employment and training for SNAP recipients, quality control, training, and getting the benefit to customers. These costs are people, and technology.

### **What other resources are being used for SNAP Administration?**

- Each year the state requires counties to contribute about \$41 million to the administration of SNAP and Medicaid. This is known as the “mandated share” (RC 5101.16). Some counties provide additional resources at their own discretion.
- The Ohio General Assembly appropriates matching funds for SNAP administration through an earmark in GRF ALI 600521 that allows “up to” \$46 million to be distributed to counties. ODJFS has allocated \$43.9 million in SFY 2026.

### **How will HR 1 affect the cost share for SNAP benefits?**

The federal government has paid 100% of program benefits since the beginning of the program. Starting October 1, 2027, states will be required to pay a portion of SNAP benefits based on the state’s SNAP error rate from three years prior. Ohio’s error rate is below the national average, at 9.01% in SFY 2024, and has historically been below the national average in recent years.

In the first year, a state may choose to use the FFY 2025 or the FFY 2026 rate. In 2024, Ohio issued \$3.2 billion in SNAP benefits. Under HR 1, Ohio’s potential annual cost share, assuming a 9% error rate and similar benefit amount, would be:

Payment Error Rate	Benefit Cost Share	Approx Ohio Impact
<6%	\$0	\$0
6-7.99%	5%	\$160M
8-9.99%	10%	\$320M
>10%	15%	\$480M

### **What is the SNAP error rate?**

The SNAP payment error measures how accurately states determine benefit amounts for participants. It is not a measure of fraud. Instead, it indicates how accurate states are in determining the monthly benefit amount for households. Eighty-five cases per month are randomly selected for review by ODJFS staff, and are rigorously evaluated according to federal guidelines. Error rates include both overpayments (households receiving too much) and underpayments (households receiving too little). Errors can be caused by inaccurate client reporting of income, expenses, or household composition, or by administrative errors.

### **How can Ohio ensure a lower error rate in FFY 2026, which begins October 1, 2025?**

- Ensure front line caseworkers have the amount of time necessary to do thorough interviews with clients to minimize errors in client-reported information. This means keeping the system adequately staffed and avoiding layoffs.
- Prioritize Ohio Benefits system updates that will minimize the number of errors. Ohio Benefits has improved in recent years, but is still more error prone than the prior eligibility

system, CRIS-e. Ohio's error rate began to increase when Ohio switched SNAP eligibility to Ohio Benefits. As the system is modernized and proven to work, the workforce and bolstered QC investments should be able to be reduced in the future.

- The state and counties will need to make additional investment in quality control efforts.

**How do Ohio's administrative costs compare to those of other states?** Ohio's county-administered system is very low cost. Ohio's monthly administrative cost per case is \$33.31, well below the national average of \$41.62. Just two states with an error rate below 6% spent less than Ohio on program administration per case – Idaho and Nevada.<sup>1</sup>

**How does a family apply for benefits?** Applications are made to county job and family services agencies, which process an average of 55,000 new applications per month statewide (even when overall caseloads are stable). The eligibility determination process includes an initial interview and verification of documents related to family income and expenses. Most non-elderly recipients have their eligibility recertified every six months.

**Is there a work requirement for SNAP Benefits?** Yes. Previous to HR 1, able-bodied adults without dependent children up to age 54 were subject to a work requirement of 80 hours per month. Federal policy changes in HR 1 extended the work requirement to older adults up to age 64, and to parents with children aged 14 and over.

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<sup>1</sup> USDA Food and Nutrition Service *FY 2023 State Activity Report*, published May 2025, and USDA State Payment Error Rates, FY2024, dated June 30, 2025. <https://www.fns.usda.gov/snap/qc/per>