FOOD BANK FOR NYC
EST. 1983

HOW DOES OBBBA CHANGE SNAP *IN NYC?*

Signed into law July 4, 2025, the One Big Beautiful Bill Act (OBBBA/HR1) includes the largest-ever cut to SNAP, reducing federal funding by $186 billion nationally over a decade.
Here's what it means for New Yorkers.

1.7M
NEW YORK CITY HOUSEHOLDS RECEIVE SNAP

180K+
PARTICIPANTS PROJECTED TO LOSE SOME OR ALL SNAP BENEFITS DUE TO OBBBA

>50%
OF NYC SNAP HOUSEHOLDS HAVE CHILDREN

$70M
ESTIMATED SNAP BENEFITS LOST PER MONTH IN NYC DUE TO ABAWD CHANGES

1.EXPANDING WORK REQUIREMENTS

"ABAWD" (able bodied adults without dependents) refers to SNAP recipients subject to work requirements. OBBBA **changed the definition** of ABAWD and **removed exemptions** so that work requirements now apply to:

- people caring for children ages 14-18
- adults between the ages of 54 and 64
- veterans
- people experiencing homelessness
- young adults up to 24 who aged out of foster care

What the ABAWD work requirement means:

To continue receiving SNAP benefits, ABAWDs must document 80 hours per month of qualifying work, job training, or volunteering. Failure to comply for any 3 months in a 3 year period leads to losing SNAP benefits for 3 years.

2.SHRINKING ELIGIBILITY

While SNAP is mainly available only to US citizens, some specific immigrant groups had been eligible. Most of that eligibility has been eliminated, including for certain refugees, asylum seekers, and victims of human trafficking and domestic violence.
This change **jeopardizes SNAP for ~40,000 New York residents**.

3.LOWER BENEFITS LEVELS: FREEZING THE THRIFTY FOOD PLAN & UTILITY DEDUCTION CHANGES

Thrifty food plan freeze: $30B in lost benefits nationally

Permanently caps **SNAP** benefit growth at inflation. $30b represents the funding necessary to keep up with rising food costs. This affects all SNAP recipients, including those unaffected by work requirements and eligibility changes.

Deduction changes: lower benefits and more red tape

Restricts eligibility for Standard Utility Allowance (SUA) deductions and prohibits states from including internet costs as part of utility deduction.

4.COST SHIFT TO STATES

ADMIN COST SHIFT:

SNAP administrative costs are currently split 50/50 between states and federal government.
In October 2026, this will change to a cost split of 25% federal/ 75% states.

BENEFITS COST SHIFT:

For the first time in the program's history, states will be responsible for a portion of SNAP benefits costs, based on payment error rates (PER*).

*explained on next page

TOTAL ESTIMATED COST SHIFT TO NEW YORK STATE: $2.1B ANNUALLY

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NYC SNAP CHANGES *TIMELINE*

July 4, 2025

Congress passes One Big Beautiful Bill Act through reconciliation process

- **$186 billion in SNAP cuts, puts 408 million meals at risk for NYers over 10 yrs**
- **Eligibility changes** and expanding of population subject to **work requirements**
- Dramatically increases **state/county cost-sharing** responsibilities
- **Eliminates SNAP-Ed** nutrition education program and funding

Mar 1, 2026

SNAP ABAWD work requirements

- Begins 3-month time limit for newly categorized **ABAWD**s to comply

April 1, 2026

Immigrant eligibility changes

- Eliminates eligibility for some immigrants

June 1, 2026

ABAWDs who have not complied with work requirements lose SNAP benefits:

- **Estimated loss of $70 million** in SNAP benefits per month for NYC households
- *Due to SNAP's economic mutiplier, these lost benefits will lead to **$108 million in lost economic activity** PER MONTH in NYC*

Oct 1, 2026

States are responsible for 75% of SNAP admin cost (up from 50%). In NYS, SNAP is administered by the counties and NYC.
In New York City, that 25% = **$110 million/year**

Oct 1, 2027

State SNAP benefits cost share could begin for NYS

- Rate based on FY26 **PER**
  - Potentially 15% maximum cost share due to NYS's historically high error rates.
- **15% benefits share = $1.2b additional annual costs for NYS to maintain SNAP benefits**

WHAT IS "PER"?

PER = Payment Error Rates

- **An existing measure of benefit level *accuracy* accounting for both over and under payments**
- **DOES NOT INDICATE FRAUD**
- **Most often caused by human error. Corrective actions exist, including reimbursement to government of overpaid benefits.**

HOW DOES NEW YORK'S "PER" IMPACT THE SNAP COST SHARE?

PER level determines level of cost share

- **Cost share applies to states with PER of 6% or higher.**
- **PER > 10% = 15% cost share (maximum cost share)**
  - **Benefit cost shift is effective October 1, 2027 (FY28) but delayed implementation is available to states with PER > 13.34% in FY25 or FY26.**
- **NYS FY24 PER was 14.09%. NYS's current FY25 PER is 12.35%**