

APHSA Policy Recommendations for SNAP Shutdown & H.R. 1

December 2025

The Issue

States are administering SNAP during one of the most unstable periods the program has experienced in years. Under H.R. 1, they are required to make significant overhauls to their administration of SNAP while the errors they incur now will determine how much they need to pay in a benefit cost share starting in FY28. Simultaneously, the recent government shutdown dramatically disrupted the administration of SNAP, leading to operational confusion and a spike in errors.

- During the shutdown, States received rapidly changing guidance on benefit issuance, including being directed to issue 50% partial benefits one day, 65% the next, and to be prepared to issue full benefits the next.
- H.R. 1 guidance was issued incrementally through October, yet states are held to a July 4 implementation date and a November 1 end to Hold Harmless.

The targeted, time-limited actions APHSA recommends below preserve accountability while allowing states to implement federal policy as Congress intended.

Why This Matters Now

This period of operational upheaval coincides directly with the rollout of new financial accountability requirements under H.R. 1 that tie state costs to Payment Error Rates (PER). Errors made during this disrupted period—rather than under stable conditions—can affect PER for an entire fiscal year and trigger substantial, long-term state costs. If states are unable to shoulder these costs—costs that may be arbitrarily inflated because of these compounding developments—a number of states are likely to face opting out of the program altogether.

Under H.R. 1:

- States with a PER above 6 percent will be required to pay between 5 and 15 percent of SNAP benefit costs beginning in FY28.
- Using FY24 PER data, this represents an average of \$218 million per state per year, ranging from \$5.5 million in North Dakota and \$37 million in Hawai'i to \$991 million in Florida and \$1.8 billion in California.
- H.R. 1 allows states with a PER above 13.33 percent in FY25 or FY26 to delay benefit cost sharing until FY30; applying this delay uniformly ensures fairness.
- Beginning in FY27, states must also cover 75 percent of SNAP administrative costs, an additional average increase of \$67 million per state annually.

APHSA Recommendations For inclusion in the January Continuing Resolution

1. Delay the SNAP benefit and administrative cost shares for all states until FY30, using FY27 Payment Error Rate data.
2. Exclude October and November 2025 from the FY 2026 Quality Control (QC) sample and extend Hold Harmless for H.R. 1-related changes through January 31, 2026.

If you have questions regarding these policy recommendations, please contact:

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