

May 12, 2025

The Honorable Glenn "G.T." Thompson, Chair U.S. House Committee on Agriculture 400 Cannon House Office Building Washington, DC 20515 The Honorable Angie Craig, Ranking Member U.S. House Committee on Agriculture 2052 Rayburn House Office Building Washington, DC 20515

Dear Chair Thompson and Ranking Member Craig:

The Alliance to End Hunger strongly urges you **not** to cut benefit levels of or reduce the number of people who are able to participate in the Supplemental Nutrition Assistance Program (SNAP) through budget reconciliation. SNAP is an effective and efficient program that increases the well-being of over 42 million people in the United States. We write to address the U.S. House budget resolution that calls for cutting at least \$230 billion for programs under the jurisdiction of your committee.

The <u>Alliance to End Hunger</u> is a coalition of over 100 corporations, national non-profits, faith-based organizations, universities, foundations, and international organizations. We work to address today's hunger and malnutrition needs and to solve the root causes of hunger at home and abroad with a shared conviction that ending hunger is both essential and possible.

We strongly urge against federal funding cuts to SNAP that would directly harm individuals and families. SNAP plays a vital role in helping people access healthy food and avoid hunger, particularly since 8 out of 10 participating households include children, older adults, and/or people with disabilities.¹ Reducing funding, limiting participation, or shifting costs to states would also harm farmers, businesses, and the broader economy. A \$230 billion cut, for example, would lead to poorer nutrition and increased food insecurity, decreased local economic activity, and reduced support for local businesses and agriculture.²

Food Producers: Farmers and ranchers could lose \$30 billion in revenue if SNAP spending is reduced by \$230 billion. About 25 percent of each dollar spent on food at home goes to farmers and ranchers,³ and SNAP can only be used to purchase food consumed at home. When SNAP participants lose benefits, they cut their food purchases by roughly half for every dollar that they lose.⁴

Retailer Jobs and Wages: Reductions in SNAP spending will impact jobs and wages. SNAP funding supports approximately 249,700 jobs in the grocery industry and 138,976 jobs in supporting industries, including agriculture, manufacturing, transportation and municipal services, totaling 388,000 jobs with over \$20 billion in wages to those working in grocery stores and supporting industries.⁵ Reducing either the number of participants or the amount of available benefits will lead to job losses.

More than 27,000 retail stores accept SNAP Electronic benefit payments. Cuts to SNAP could harm retailers in rural areas the most, as 95 percent of counties with the highest rates of people who receive SNAP benefits have the fewest retailers accepting SNAP benefits.⁶

In another analysis based on \$230 billion in cuts to SNAP, it is estimated that approximately 143,000 jobs would be lost, including 78,000 direct job losses in food sectors including agriculture, retail grocery, and food processing. An additional 65,000 jobs could be lost in other sectors as economic effects spread as a result of funding cuts to SNAP compounded with cuts to Medicaid.⁷ For example, it is estimated that

Pennsylvania's job losses could total 6,900 from SNAP cuts alone and 48,700 jobs lost from combined Medicaid and SNAP budget cuts; in Minnesota, there are estimated to be 1,500 SNAP-associated job losses and 18,200 combined Medicaid/SNAP cut job losses.⁸

State Gross Domestic Product (GDP): Cutting SNAP by \$230 billion over the next 10 years could result in large impacts to state economies. The collective impact on states could be \$18 billion less in states' GDP, with \$30 billion lower economic output. Please consider the additive impacts of the U.S. House budget resolution that calls for cutting at least \$880 billion over the next decade for programs under the jurisdiction of the House Energy and Commerce Committee. Combined impacts from proposed Medicaid and SNAP cuts could lead to more than \$100 billion less in state GDPs with economic output lowered by over \$1.1 trillion over the coming decade.⁹

Shifting Costs to States: Proposals to shift a portion of SNAP costs to states comes at a time when states may not be able to cover additional spending, especially as tax revenue decreased in 40 states in fiscal year 2024 after adjusting for inflation.¹⁰ Even without new unfunded mandates that cost shifting would bring to state budgets, many states are considering how to meet budget needs.¹¹ With proposed additional requirements to cover a percentage of the cost of SNAP food benefits, states would have to increase revenue, cut funding for other programs and/or services, reduce SNAP benefits, restrict eligibility to participate in SNAP, or a combination of these options.¹²

We urge you to reject efforts to use federal nutrition program cuts to reduce or offset spending. Largescale cuts directed toward programs in the jurisdictions of the Agriculture Committees would have very real and damaging impacts on our families, communities, and the economy.

People will face hunger and food insecurity if cuts or spending shifts are enacted, especially in an environment of continuing high food costs, economic uncertainty, viral illnesses in animals, a reduced number of agricultural workers and federal employees, and continuing global conflict which affect food supply chains.

The Alliance to End Hunger asks the Committee to carefully consider the full impact of cutting access to SNAP, from farmers to retailers to state and local governments and especially to people.

Thank you for your consideration of our concerns. You hold the power to change lives; please choose to help, not harm, people struggling to make ends meet.

Sincerely,

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Eric P. Mitchell President Alliance to End Hunger

cc: All members of the U.S House of Representatives Committee on Agriculture

The Honorable John Boozman, Chair, Senate Committee on Agriculture, Nutrition, and Forestry The Honorable Amy Klobuchar, Ranking, U.S. Senate Committee on Agriculture, Nutrition, and Forestry https://ers.usda.gov/sites/default/files/ laserfiche/publications/93529/ERR-265.pdf?v=39856

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¹ U.S. Department of Agriculture, SNAP in Action Dashboard, https://www.fns.usda.gov/data-research/datavisualization/snap/action

² U. S. Department of Agriculture, https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap

³ Economic Research Service, https://www.ers.usda.gov/data-products/charts-of-note/chart-detail?chartId=110871 ⁴ U. S. Department of Agriculture, Economic Research Service,

⁵ National Grocers Association, https://grocers.guerrillaeconomics.net/reports/089e9a7a-3568-4c10-9f91-1a18b073dda4?

⁶ Center for American Progress, https://www.americanprogress.org/article/snap-cuts-are-likely-to-harm-more-than-27000-retailers-nationwide ⁷ The Commonwealth Fund, <u>https://www.commonwealthfund.org/publications/issue-briefs/2025/mar/how-cuts-</u>

medicaid-snap-could-trigger-job-loss-state-revenue

⁸ The Commonwealth Fund, https://www.commonwealthfund.org/sites/default/files/2025-

⁹ The Commonwealth Fund, https://www.commonwealthfund.org/sites/default/files/2025-

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¹⁰ The Pew Charitable Trusts, https://www.pewtrusts.org/en/research-and-analysis/articles/2025/01/09/state-taxrevenue-declines-again-in-fiscal-2024-but-shows-signs-of-stabilizing

¹¹ States News, https://stateline.org/2025/01/22/cutting-services-or-raising-taxes-state-lawmakers-weigh-how-to-fillbig-budget-gaps/

¹² Center on Budget and Policy Priorities, https://www.cbpp.org/research/food-assistance/imposing-snap-foodbenefit-costs-on-states-would-worsen-hunger-hurt-states