

Federal Nutrition Funding Priorities

April 2025

As Congress considers potential changes to federal nutrition programs and funding, the Minnesota Department of Children, Youth, and Families urges members of Minnesota’s Congressional Delegation to protect the Supplemental Nutrition Assistance Program (SNAP), SUN Bucks, and The Emergency Food Assistance Program (TEFAP)¹ from cuts and harmful policy changes, ensuring families can continue to access the healthy food they need. The price of food and goods have continued to increase since 2019 with some food prices increasing as much as 30% or more.²

With the rising cost of food, these federal programs are a critical support for low-income households. SNAP is a lifeline for more than 440,000 Minnesotans, 36% of whom are children, 18% are seniors, and 14% are adults with a disability. The program not only helps families put food on the table but also generates economic activity — every \$1 in SNAP benefits generates approximately \$1.50 in local economic impact. In Minnesota, this translates to millions of dollars reinvested in our grocery stores, farmers markets, food supply chains, and jobs. Similarly, SUN Bucks provides grocery-buying benefits to families with school-age children during the summer months when children are out of school. SUN Bucks supported 470,000 kids in Minnesota in Summer 2024.

Food banks and food shelves across Minnesota also know how essential SNAP, SUN Bucks, and TEFAP are to individuals and families. Minnesota had a record number of food shelf visits in 2024, with nearly 9 million visits – up 1.5 million from 2023. For every meal provided by food shelves or food banks, SNAP provides nine. Cutting or restricting federal nutrition programs would put more pressure on the emergency food system that is already stretched thin. Accordingly, we ask that Minnesota’s Congressional Delegation consider the following priorities:

Do Not Shift SNAP Benefit Costs onto States

- **Do not strain state budgets with SNAP cost-sharing.** A proposal that is drawing attention is a cost sharing plan that shifts 25% of SNAP benefit costs onto states. If Minnesota has to pay 25% of the cost of SNAP benefits, this would be roughly \$220 million per calendar year. A 25% cost sharing plan would strain state budgets and likely result in a decrease in SNAP benefits for families.

Protect Benefit Levels

- **Protect and maintain the Thrifty Food Plan, which was revised in 2021 to reflect the increased cost of food. This adjustment must be protected.** It’s critical to ensure benefit amounts are enough to purchase a healthy diet. The Thrifty Food Plan is the formula used to estimate the cost of groceries, which determines the amount of SNAP benefits households receive to purchase groceries for their families.
- **Maintain SUN Bucks (Summer EBT).** SUN Bucks provides food benefits to children during summer months when school is not in session. In 2024, 37 states, D.C., Puerto Rico, and two Tribal Nations implemented the program. In Minnesota, approximately 470,000 children received the food benefits in summer 2024.

¹ TEFAP is a federal program of the U.S. Department of Agriculture (USDA) that provides nutritious, domestically produced food to Minnesotans in need and directly supports the agriculture community. The Minnesota Department of Children, Youth, and Families contracts with six regional Minnesota food banks to distribute TEFAP to more than 450 food shelves and on-site meal programs statewide. USDA awarded Minnesota approximately \$1.53 million in federal emergency nutrition assistance funding for FFY 2024 to cover costs associated with the storage, distribution, and administration of USDA foods. Approximately 22.8 million pounds of USDA foods valued at \$29.4 million were distributed in 2024.

² CBS News. “CBS News price tracker shows how much food, gas, utility and housing costs are rising.” <https://www.cbsnews.com/news/price-tracker/>

Support EBT Card Security and Modernization

- **Use federal funds to replace and restore SNAP benefits stolen via card skimming, card cloning and other similar fraudulent methods.** The American Relief Act, 2025 did not include provisions to replace SNAP benefits stolen via card skimming, card cloning, or similar acts of theft or fraud. Benefits stolen after Dec. 21, 2024, are not eligible for replacement using federal funds. Minnesota supports the restoration of federal funds for this purpose to protect SNAP households.
- **Provide federal funding to states to implement and add microchips to EBT cards.** Currently, EBT cards use a magnetic strip criminals can easily clone using hidden skimming devices. Microchips in debit and credit cards are now the industry standard and include preventive protections that have proven effective in safeguarding consumers and combatting theft and fraud. Modernizing EBT cards imposes a considerable financial burden on states, and federal assistance would help states move toward the technology more quickly to protect benefits for families.

Enable SNAP to Support Work

- **Maintain SNAP broad-based categorical eligibility (BBCE) policy.** 44 states currently implement BBCE to support work and encourage saving.
 - BBCE helps working families by phasing out benefits gradually as their earnings rise, rather than cutting them off abruptly. Without BBCE, working families face a “benefit cliff” that causes them to lose SNAP benefits due to a small increase in earnings that raises their income over SNAP’s federal gross income limit (130% of the federal poverty line or \$2,798/month for a family of 3). This can cost them more in lost benefits than what their raise is worth, and thus disincentivizes work advancements. In 2022, BBCE allowed the Minnesota Legislature to raise the SNAP gross income limit to 200% of the federal poverty line (\$4,303/month for a family of 3).
 - BBCE allows households to save for the future. Modest assets enable low-income families to avoid debt, weather unexpected financial disruptions, and better prepare to support themselves in retirement and remain in their homes. Under regular federal SNAP rules, countable assets cannot exceed just \$3,000 for most households and \$4,500 for households with members who are elderly or have a disability, but BBCE lets states increase or eliminate those limits for SNAP. In 2010, BBCE allowed the Minnesota Legislature to eliminate the SNAP asset limit.

Do Not Take Food Away from Vulnerable Populations

- **Maintain state waivers that prevent taking food away from people who live in areas with insufficient jobs.** Since the creation of SNAP’s three-month time limit, SNAP rules have let states request waivers of this requirement to prevent people from losing food assistance if they live in an area with high unemployment or insufficient job opportunities. Every state has used waivers at some point to respond to local labor market conditions.
- **Preserve protections for veterans, people experiencing homelessness, former foster youth.** Congress recently added exemptions for people in these vulnerable groups in the Fiscal Responsibility Act of 2023, recognizing they often face additional barriers to securing reliable employment.
- **Do not expand the SNAP three-month time limit to include older adults and households with school-age children.**
 - Older adults aged 55 through 64 often face age discrimination in their employment searches, as well as substantial health barriers to work.
 - The impacts of hunger on children are well-documented, with even short periods of food insecurity harming mental and physiological development and increasing their risk of adverse health outcomes.

Honor Tribal Sovereignty and Self-Determination

- **Exclude Tribal general welfare benefits when determining SNAP eligibility.** Although the Internal Revenue Service does not consider Tribal general welfare benefits to be part of a household's gross income, the Farm Bill does consider them when determining eligibility for SNAP.
- **Permit the direct Tribal administration of SNAP.** The Tribal Nations that currently administer SNAP in Minnesota do so under contract and in partnership with the Minnesota Department of Children, Youth, and Families. Allowing Tribal Nations to partner directly with the federal government is a truer recognition of Tribal sovereignty. This approach is already in practice among those Tribes that directly administer Temporary Assistance for Needy Families (TANF) in Minnesota.
- **Permit the concurrent receipt of SNAP and Food Distribution Program on Indian Reservations (FDPIR) benefits.** Although individuals residing *outside* of a reservation are permitted to access SNAP and TEFAP in the same month, individuals residing *inside* of a reservation cannot access SNAP and FDPIR in the same month. As a result, eligible recipients are forced to choose between the two benefits.

Modernize Policies for Students

- **Permanently extend COVID eligibility pathways for students.** The Consolidated Appropriations Act, 2021, temporarily expanded SNAP eligibility to lower-income students who are eligible for a federal- or state-funded work study program or have an expected family contribution (EFC) of \$0 during their academic year. Normally, college students enrolled at least half-time may not receive SNAP benefits without a qualifying exemption.

Improve SNAP Outreach

- **Lift the ban on effective government-sponsored SNAP promotion.** The 2014 Farm Bill prohibits the use of federal funds by government entities for any activity designed to “persuade an individual to apply for program benefits” including television, radio, and/or billboard advertisements.
- **Eliminate matching funds requirement.** The need to procure non-federal matching funds limits the ability for smaller, often rural, organizations to participate in SNAP Outreach activities.

Make SNAP a Means Out of Poverty

- **Do not count TANF and state-funded cash assistance benefits against SNAP benefits.** SNAP pays for food while cash assistance pays for housing and other basic needs. Counting cash benefits against SNAP prevents people from escaping the crisis of poverty.

Strengthen SNAP Employment and Training (E&T)

- **Provide states with flexibility to operate SNAP E&T programs that best serve their communities.** Given that states often co-fund SNAP E&T, they should have greater authority over operational details. These could include:
 - Discretion over effective screening and referral procedures;
 - Increased capacity for retention services;
 - The authority to disregard income earned through work training programs for SNAP.

Promote Efficiency in TEFAP

- **Eliminate the state matching requirement (7 CFR 251.9) to provide States with needed resources for strong program oversight.** Eliminating the matching requirement would reduce administrative burden for states, align budgets with true program costs, and ensure sufficient program funds are available to operate an efficient TEFAP program.