

Impact of H.R.1 on Thrifty Food Plan



The new budget reconciliation law (H.R. 1) provision limiting and ending the Supplemental Nutrition Assistance Program (SNAP) benefit adjustments based on food prices will leave millions without the nutrition they need.

SNAP is the nation's first line of defense against hunger, providing monthly food assistance to over **41 million people**.¹ Research demonstrates SNAP alleviates hunger, improves nutrition and health outcomes, stimulates local economies, supports educational outcomes for children, and reduces long-term health care costs.²

Recent Policy Changes

President Trump signed H.R. 1 into law on July 4, 2025.³ The law enacts sweeping changes to SNAP that threaten the dignity, health, and well-being of millions of Americans struggling to put food on the table.

Among its provisions, H.R. 1 mandates that the Thrifty Food Plan remain cost-neutral, preventing SNAP benefits from reflecting actual food costs and updated dietary guidelines. As a result, the Congressional Budget Office (CBO) projects **SNAP benefits will decline by \$37 billion over the next decade.** 4.5

What Is the Thrifty Food Plan?

The Thrifty Food Plan (TFP), developed in 1975, is the lowest cost of four food plans created by the U.S. Department of Agriculture (USDA). It estimates the weekly cost of a diet designed to meet nutritional needs at minimal expense. SNAP benefit allotments are based on the TFP, which incorporates:

- current dietary guidelines,
- food consumption data, and
- food prices (most recently based on 2016 retailer data).6

The 2018 bipartisan Farm Bill directed USDA to update the Thrifty Food Plan to bring it up to date with current food prices, national dietary guidance, nutritional content, and typical dietary patterns of families with low incomes.

How H.R. 1 Changes the Thrifty Food Plan

The newly enacted law restricts updates to the TFP by requiring that all future revisions be cost-neutral. Under previous law, USDA was expected to re-evaluate the TFP in 2027 and 2032, building on the 2021 modernization to ensure SNAP benefits reflected current food costs and dietary guidance.

As a result, CBO projects that by 2034 the average monthly SNAP benefit will have declined by about \$15 less per person. Although the 2018 Farm Bill directs USDA to review the adequacy of the TFP every five years, H.R. 1 prevents meaningful adjustments, even if evidence shows that benefits no longer meet nutritional or economic needs. Requiring USDA to conduct detailed analyses while barring corrective action is ineffective policymaking and a poor use of federal resources.

From 1975 until 2021, the TFP was only adjusted for inflation, leaving SNAP benefits out of sync with modern dietary guidance and the actual cost of food. The 2021 update — mandated by the bipartisan 2018 Farm Bill — was the first to fully modernize the plan, resulting in a 21 percent increase in monthly SNAP benefits — about \$1.19 per person per day. This long-overdue adjustment, made independent of pandemic-era supports, lifted 2.9 million people out of poverty across the U.S.⁶ Freezing future updates at "cost-neutral" levels undermines this progress and prevents benefits from keeping pace with food prices and nutritional standards.

Inadequate SNAP Benefit

■ While the TFP's \$1.19 monthly SNAP benefit increase per person per day may seem modest, it has significantly improved participants' ability to afford food, raising the monthly average SNAP benefit to about \$6.20 per person per day. However, purchasing power can fluctuate with rising food prices, fuel costs, and other economic pressures. Blocking future increases will erode this progress, gradually reducing benefits for all participants.⁷ For example, grocery prices are 2.7 percent higher today than last year, and families are struggling with inflation and rising food costs, increasing the need for SNAP benefits to help meet basic needs.⁸

Weakened Economic Stimulus

- SNAP supports local economies, including over 260,000 grocery stores, farmers' markets, and other retailers across the U.S.⁹ Reduced benefits mean households spend less at SNAP retailers, with disproportionate harm to rural communities.¹⁰
- It is estimated that each SNAP dollar generates up to \$1.80 in economic activity during an economic downturn.¹¹

Erosion of Child Nutrition Program Benefits

- The Summer EBT Program provides families with about \$120 per child during the summer, playing a critical role in reducing childhood hunger when school is out by providing key nutrition support to children in households with low incomes, helping to cover food costs during the summer months.¹² Approximately 30 million children in the U.S. were eligible for Summer EBT in 2025.¹³
- Because Summer EBT is tied to the TFP,¹⁴ cost-neutral updates will reduce the value of these benefits as food prices increase, hurting households and retailers alike.¹⁵

How to Reduce the Harm

Support Households in Reporting Expenses and Deductions

Encourage all households to report allowable expenses (shelter, child care, and medical costs for households with an older adult or person with a disability). Accurate reporting can help ensure accurate benefits, as generally, the higher the deductions a household claims, the lower their net income, and thus, the more adequate their SNAP benefit.¹⁶

Simplify Reporting and Verification Processes

■ Work with state agencies to streamline verification processes. Simplified verifications are more important than ever, as some state legislatures may pressure agencies to implement stricter, errorfocused requirements. Over-verification increases administrative burdens for both agencies and beneficiaries, creating barriers to access. For example, in some states, household reporting forms include a straightforward checklist allowing individuals to verify their individual expenses, which helps streamline connecting them with the right shelter cost deduction while minimizing unnecessary paperwork.

Advocate for Legislative Reform

- Urge your Members of Congress to cosponsor the Restoring Food Security for American Families and Farmers Act of 2025, to be introduced by Sen. Ben Ray Luján (D-NM), Senate Agriculture Committee Ranking Member Amy Klobuchar (D-MN), Rep. Jahana Hayes (D-CT), and House Agriculture Committee Ranking Member Angie Craig (D-MN). This bill would repeal all SNAP cuts enacted in the recent budget reconciliation law. Your support is critical to undoing these harmful changes and ensuring families can afford food. Repealing these cuts is one of the most important steps to protect households already struggling with rising food and housing costs.
- Support the <u>Closing the Meal Gap Act</u>, which would replace the TFP with the more adequate Low-Cost Food Plan as the basis for benefits, helping SNAP households afford more nutritious food throughout the month.

H.R. 1 undermines SNAP by restricting updates to the Thrifty Food Plan, leaving benefits out of step with real food costs and dietary needs. This provision and other SNAP cuts will increase food insecurity, weaken local economies, and harm children's nutrition. Strong program outreach and advocacy and new legislation are essential to ensure SNAP has the capacity to continue to reduce hunger and improve health nationwide.

Endnotes

- ¹ Food Research & Action Center. (2025). Facts: SNAP strengths. https://frac.org/wp-content/uploads/FRAC-Facts-SNAP-Strengths-2025.pdf
- ²Food Research & Action Center. (2017). The role of the Supplemental Nutrition Assistance Program in improving health and well-being. https://frac.org/wp-content/uploads/hunger-health-role-snap-improving-health-well-being.pdf
- ³Food Research & Action Center. (2025). The far-reaching harmful impacts of the Reconciliation Bill on families, older adults, immigrants, and state budgets. https://frac.org/wp-content/uploads/Budget-Reconciliation-2025-Impacts-Fact-Sheet.pdf
- ⁴Congressional Budget Office. (2025). Estimated effects of Public Law 119-21 on participation and benefits under the Supplemental Nutrition Assistance Program. https://www.cbo.gov/system/files/2025-08/61367-SNAP.pdf. "CBO expects that the SNAP monthly benefit will decrease by about \$10 for roughly 65 percent of households, on average, in each year over the 2026-2034 period." (CBO, 2025) CBO does not provide underling household number. Number of households retrieved from: USDA. (2025). Data tables, Supplemental Nutrition Assistance Program. https://fns-prod.azureedge.us/sites/default/files/resource-files/snap-4fymonthly-7.pdf
- Swagel, P. L. (2025). Potential effects on the Supplemental Nutrition Assistance Program of Reconciliation recommendations pursuant to H. Con. Res. 14, as ordered reported by the House Committee on Agriculture on May 12, 2025. https://www.cbo.gov/system/files/2025-05/Klobuchar-Craig-Letter-SNAP_5-22-25.pdf
- ⁶USDA Food and Nutrition Service. (2021). *Thrifty Food Plan, 2021* (FNS-916). https://fns-prod.azureedge.us/sites/default/files/resource-files/TFP2021.pdf
- ⁷Food Research & Action Center. (2025). Continuing the Thrifty Food Plan adjustment is good for everyone. https://frac.org/wp-content/uploads/Thrifty-Food-Plan-Adjustment-2-27-25.pdf
- Consumer prices increased more than expected in August, driven by higher housing and grocery costs, according to the <u>Bureau of</u> <u>Labor Statistics</u>. Housing prices rose 0.4 percent in August, while

- grocery prices went up 0.6 percent, a 2.7 percent increase from the same period last year.
- ⁹United States Department of Agriculture Food and Nutrition Service. (n.d.). *SNAP retailer management year end summary FY 2024*. Accessed September 3, 2025. https://www.fns.usda.gov/data-research/data-visualization/snap-retailer-manage-ment-dashboard-fy24
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- ¹³ Food Research & Action Center. (2024, December). Summer EBT state fact sheets Technical notes. https://frac.org/wp-content/uploads/Summer-EBT-State-Fact-Sheets-Technical-Notes.pdf. Data retrieved from USDA Food and Nutrition Service. (2024 January). Estimated number of Summer EBT eligible children who currently do and do not receive SNAP or NAP. Accessed on February 14, 2024. https://www.fns.usda.gov/sebt/estimated-children-eligible
- 14 42 USC 1762(b)(2)(A)(ii)
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