



City Playbook

Preparing for the Impacts of H.R. 1/OBBBA on Food Security and Local Economies

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About FRAC

The Food Research & Action Center (FRAC) improves the nutrition, health, and well-being of people struggling against poverty-related hunger in the United States through advocacy, partnerships, and by advancing bold and equitable policy solutions. For more information about FRAC, or to [sign up](#) for FRAC's e-newsletters, go to www.frac.org.

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What This Playbook Provides

The “One Big Beautiful Bill” (H.R. 1/ OBBBA) represents the most significant retrenchment of the Supplemental Nutrition Assistance Program (SNAP) in decades. On paper, it is a federal law. In practice, its burdens will fall squarely on the shoulders of local governments.

This playbook is designed to help municipal leaders understand the scope of what’s coming, anticipate challenges, and prepare coordinated responses with state, federal, and community partners. Cities that act now will be better positioned to support residents, safeguard their local economies, and maintain public trust.

I A Clear Understanding of H.R. 1/OBBBA’s Local Impacts

The playbook explains how OBBBA’s changes to SNAP — including deep benefit reductions, expanded time limits, restrictive eligibility rules, cost shifting to states and counties, and the defunding of SNAP Ed — will drive rising food insecurity, economic contraction, and increased pressure on city systems. This section helps municipalities understand the scope and scale of the challenge.

II A Municipal Readiness Checklist

A concise 13-point checklist guides cities through the essential steps for preparation. It covers impact assessment, resident engagement, retailer outreach, philanthropic coordination, data systems, communications strategy, and regional collaboration. Leaders can use the checklist to quickly assess readiness and identify areas requiring immediate action.

III Detailed Best Practices and Action Steps

The playbook provides practical, actionable guidance across all major areas of municipal response. Cities will find strategies for:

- ▶ forecasting economic and neighborhood level impacts;
- ▶ engaging residents and incorporating lived experience into planning;
- ▶ working with retailers to prevent store closures and food deserts;
- ▶ aligning with philanthropy and community-based organizations;
- ▶ strengthening food access infrastructure and protecting school meals;
- ▶ building real workforce pathways and reducing barriers to employment;
- ▶ designing dignified, non exploitative service opportunities;
- ▶ establishing data and feedback loops for continuous improvement; and
- ▶ communicating plans transparently to build trust and maintain accountability.

These sections help cities move from awareness to coordinated, operational action.

IV Policy Context: What H.R. 1/OBBBA Changes and Why It Matters Locally

The playbook breaks down OBBBA’s major SNAP provisions and explains their direct municipal implications. It outlines new state and county cost burdens, expanded time limits, reduced deductions, losses of immigrant eligibility, and the declining real value of benefits — all of which create downstream pressures on housing, public safety, human services, and local economies.

For Municipal Leaders

Using this playbook, cities will be able to:

- **understand and quantify impacts** on households, retailers, revenue, and services
- **prepare coordinated responses** across departments, community partners, philanthropy, and retailers
- **strengthen local food access systems** to absorb rising need
- **support residents effectively** by addressing barriers to work, stability, and service access
- **communicate transparently** with the public to build trust and maintain civic engagement
- **collaborate regionally** to share resources, align messaging, and strengthen advocacy

Bottom Line

OBBA fundamentally shifts responsibility downward. Cities will face increased hardship, tighter budgets, and heightened demand on already stretched systems. This playbook offers a clear, actionable roadmap to help municipalities respond proactively — protecting residents, supporting local businesses, and sustaining the economic and social health of their communities.

I OBBBA's Local Impacts

SNAP is more than just a food program — it serves as a stabilizer for households, supports local economies, and acts as a buffer against rising homelessness and public safety concerns. When families lose food assistance, the resulting ripple effects land at City Hall.

► **Economic impacts:** SNAP translates directly into local economic activity while also freeing up limited income for program participants' rent, utilities, transportation, and health care. Every federal \$1 invested in SNAP generates between \$1.50 and \$1.80 in local economic activity. SNAP cuts of \$187 billion over the next decade will cost billions of dollars in lost resident income — and billions drained from city economies.

When pandemic-era emergency allotments expired, Worcester, Massachusetts,¹ residents lost an average of \$5 million in monthly SNAP benefits — income that disappeared overnight and was not replaced. In Florida,² residents lost \$282 million each month. Without SNAP dollars to spend, households had less to put toward groceries, and less flexibility to cover other bills. Local retailers — from grocery stores to bodegas to farmers' markets — saw immediate declines in sales. These were federal dollars flowing directly into communities, stabilizing both families and local businesses. Once withdrawn, the losses were immediate, severe, and unrecovered.

► **Homelessness and housing pressure:** As benefits shrink, more families will be forced to choose between food and rent or utilities. Research shows that food insecurity is a top predictor of housing instability and homelessness.³ Mayors already face intense political pressure to address homelessness. OBBBA will push more residents into crisis, placing direct strain on shelters, city housing agencies, and public spaces. For example, in Oklahoma, nearly 17 percent of the population relies on SNAP, and a quarter of renters are considered extremely low-income. When SNAP benefits were not issued during the government shutdown, many renters were forced to choose between food and shelter, leading to higher eviction rates.⁴

► **Public safety and services:** When households lack stable food or housing, demand on police, emergency rooms, and first responders increases. Cities are expected to maintain safe, thriving communities, but federal retrenchment through OBBBA undermines those efforts and shifts the burden of rising public safety costs onto local governments. Public safety costs are primarily borne by local government.⁵

► **Local fiscal stress:** Beginning in 2027, states and even some counties will be required to pay far more toward SNAP administration — and in 2028, states will even begin paying for benefits themselves. This is unprecedented. The downstream effect will be less state aid for cities, at the exact moment when local governments face higher service demands and increased economic uncertainty. Research has already documented a steady decline in state aid to local governments over time; these new cost shifts will accelerate that trend, leaving cities with fewer resources to respond to increased need.⁶

► **Pressure on community institutions:** Faith organizations, food pantries, and nonprofits will absorb rising demand but cannot meet the scale of federal disinvestment. Mayors will see these groups turn to City Hall for help with funding, coordination, and policy support. A preview of the damage was evident during the government shutdown, as people faced hunger and municipalities struggled to compensate for the federal funding shortfall.⁷

In short, OBBBA is not just a federal budget measure. It is a stressor on the local quality of life. It undermines economic vitality, worsens homelessness, strains city services, and forces municipal leaders to make difficult decisions about which programs and services they can maintain.

II Checklist — Municipal Readiness: Responding to H.R. 1/OBBBA Impacts

1. UNDERSTAND THE FULL LOCAL IMPACT

- Estimate how many residents will lose SNAP benefits due to new time limits, eligibility restrictions, and administrative changes.
- Calculate the projected loss in monthly SNAP dollars flowing into the local economy.
- Assess secondary impacts on:
 - grocery and food retail viability;
 - local jobs and workforce stability; and
 - sales and local tax revenue.
- Identify neighborhoods and populations at highest risk.

2. CENTER RESIDENT VOICES

- Hold listening sessions with SNAP participants and impacted households.
- Document impacts on food security, housing stability, health, and work.
- Integrate resident input into budget, human services, and emergency planning.
- Share insights with community partners and use stories (with consent) for advocacy.

3. MAP AND ENGAGE SNAP RETAILERS

- Identify all SNAP-authorized retailers in the city.
- Assess retailer dependence on SNAP sales and workforce implications.
- Engage grocers, chambers of commerce, and business associations.
- Plan mitigation strategies to prevent store closures and food deserts.

4. COORDINATE WITH PHILANTHROPY

- Convene local foundations and philanthropic partners.
- Identify service gaps the city cannot fill under new federal constraints.
- Align city, nonprofit, and philanthropic investments to avoid duplication.
- Explore flexible tools, such as:
 - pooled emergency funds;
 - matched funding programs;
 - transportation or car-repair assistance;
 - food purchasing supports redeemable locally; and
 - rapid rental or utility assistance.

5. MOBILIZE STATE AND FEDERAL DELEGATIONS

- Brief state and federal officials on city-specific impacts.
- Share clear data: residents affected, dollars lost, and service gaps.
- Advocate for mitigation tools (emergency funds, exemptions, flexibility).
- Coordinate messaging with peer municipalities when possible.

6. WORK WITH COMMUNITY-BASED ORGANIZATIONS

- Convene nonprofits and service providers to explain SNAP changes.
- Train frontline staff on new time limits and exemptions.
- Establish feedback loops to identify emerging gaps quickly.
- Prepare for increased demand on food banks, shelters, and health systems.
- Identify local anti-hunger coalitions and community-based organizations with on-the-ground experience, and engage them to understand their priorities and capacity.

7. ENGAGE FAITH-BASED LEADERS

- Partner with faith leaders as trusted messengers.
- Provide clear, accurate information and talking points.
- Address mixed-status household concerns and misinformation.
- Use faith spaces for outreach, navigation, and referrals.

8. STRENGTHEN LOCAL FOOD ACCESS INFRASTRUCTURE

- Map farmers' markets, mobile food sites, and community gardens.
- Support SNAP matching and incentive programs.
- Coordinate with schools to protect meal access.
- Plan for increased demand as federal supports decline.

9. STRENGTHEN WORKFORCE PATHWAYS (NOT PUNITIVE COMPLIANCE)

- Partner with workforce boards, community colleges, and employers.
- Align with SNAP Employment & Training programs where appropriate.
- Address barriers to work, including:
 - transportation;
 - child care;
 - internet and device access; and
 - language access.
- Promote living-wage pathways and employer engagement.

10. EXPAND SAFE, DIGNIFIED SERVICE OPPORTUNITIES

- Inventory volunteer and service opportunities that meet federal requirements.
- Ensure roles are meaningful, skill-building, and non-exploitative.
- Provide stipends and cover participation costs (transportation, technology).
- Prioritize pathways to paid employment over unpaid service.

11. LEAD WITH DATA AND CONTINUOUS FEEDBACK

- Track benefit losses, food insecurity, and retail closures.
- Use 211 data, surveys, and provider reports.
- Adjust city response based on real-time trends.
- Publish findings to support transparency and advocacy.

12. SHARE THE CITY'S PLAN PUBLICLY

- Clearly communicate goals, actions, and timelines.
- Use press, newsletters, public events, and agency channels.
- Invite partners, volunteers, and residents to engage.
- Report progress and course-correct openly.

13. BUILD A REGIONAL COMMUNITY OF PRACTICE

- Convene neighboring municipalities regularly.
- Share data, strategies, and operational lessons.
- Coordinate joint advocacy and messaging.
- Explore shared resources and regional funding tools.
- Engage regional planning bodies for continuity.

III Detailed Best Practices

1. Understand the Full Impact

All cities need to understand the totality of OBBBA's impacts, especially regarding food insecurity. SNAP dollars are unique: Unlike infrastructure funds or grants, they flow directly into households, which then spend them in local stores. This cycle sustains grocery retailers, generates sales tax, supports jobs, and stabilizes families.

CITIES SHOULD:

- ▶ **Review estimates** of how many residents will lose benefits under new work time-limits requirements, humanitarian eligibility restrictions, and administrative changes.
- ▶ **Assess the reduction in monthly purchasing power**, noting the Congressional Budget Office findings that millions of families and individuals could lose all or part of their benefits.⁸
- ▶ **Evaluate broader impacts on economic activity**, retail health, and tax revenue. Cuts to SNAP of \$187 billion over the next decade mean billions of dollars in lost resident income — and billions drained from city economies.
 - » For context, when SNAP pandemic-era benefits ended, the city of Worcester, Massachusetts, lost an average \$5 million per month of extra income coming to its residents.¹
 - » The state of Florida lost \$282 million per month, and those cuts trickled down to municipalities.²

2. Center Resident Voices in Planning

Cities should meet directly with SNAP recipients to understand what benefit cuts mean for families and communities. These residents are taxpayers, workers, and neighbors who contribute to the city's fabric. Hearing firsthand how reduced benefits affect food security, rent payments, health, and household stability allows city leaders to ground decisions in real community experience.

BEST PRACTICE

- ▶ Hold listening sessions or roundtables with SNAP participants to capture their perspectives.
- ▶ Incorporate these insights into city budget planning, particularly for human services, housing, and emergency aid.
- ▶ Share findings with community partners — such as food pantries, health providers, and schools — so they can anticipate rising demand.
- ▶ Use resident stories and data to strengthen advocacy with state and federal officials, ensuring policy debates reflect lived experience.

By listening to residents, cities not only design more effective responses but also reaffirm that those most affected by federal cuts remain central to community planning and decision-making.

THE SNAP IMPACT



3. Map and Engage Local SNAP Retailers

Retailers are key economic partners. Independent grocers and small food retailers are particularly vulnerable to declines in SNAP sales, with the National Grocers Association projecting a 6.7 percent sales reduction in the first six months. Store closures in vulnerable neighborhoods could create or worsen food deserts.⁹

CITIES SHOULD:

- ▶ **Identify all SNAP-authorized retailers** in their jurisdiction.
- ▶ **Engage grocers** to understand their profit margins, workforce size, and dependency on SNAP sales.
- ▶ **Convene conversations** with the Chamber of Commerce, business associations, and retail networks to anticipate and mitigate disruptions.
- ▶ **Explore ways to strengthen local businesses** through partnerships, marketing, or complementary city investments.

4. Coordinate With Philanthropy:

Partnerships and Innovative Investment

Philanthropic organizations and local foundations will face increased demand but must be intentional and strategic with limited resources. Municipal leaders can play a central role in guiding this effort, ensuring funding is targeted to the greatest needs and generates lasting impact.

CITIES SHOULD:

- ▶ **Convene philanthropic leaders** to outline what the city can and cannot provide under new federal funding realities.
- ▶ **Identify critical gaps** where philanthropy can supplement city resources, including food security, housing stability, transportation, and access to essential services.
- ▶ **Build partnerships** between city government, nonprofits, and philanthropy to leverage collective expertise, reduce duplication, and maximize efficiency.
- ▶ **Create innovative funding mechanisms** — such as pooled city–philanthropy emergency funds, social impact bonds, or matched funding programs — to ensure residents can maintain housing, access essential resources, and afford nutritious food.

▶ **Pilot flexible supports** that address real-life barriers to work and stability, such as:

- » **transportation vouchers** to help people commute to jobs, school, or medical appointments;
- » **emergency car repair funds** so workers don't lose income or employment over a preventable breakdown;
- » **food gift cards** redeemable at local grocers and farmers' markets, allowing families to buy the foods that meet their needs while strengthening the local economy; and
- » **rapid-response rental or utility aid** to prevent eviction or service shut-offs that can spiral into homelessness.

▶ **Prioritize intentional investment**, focusing on sustainable solutions that stabilize families and strengthen the local economy, rather than temporary relief measures alone.

By integrating these innovative, flexible supports, cities and philanthropy can help families not only weather immediate disruptions from OBBBA but also build resilience, stay connected to work, and remain active participants in the local economy.

This approach ensures that philanthropy is not just reactive but integrated into a coordinated municipal response, amplifying impact and helping residents weather the disruptions caused by OBBBA.

5. Mobilize State and Federal Delegations

Municipalities must voice their concerns to state and federal partners. OBBBA not only shifts SNAP costs to states but also intersects with reductions in other federal streams, compounding local fiscal pressures.

CITIES SHOULD:

- ▶ **Brief state legislators, governors' offices, and congressional delegations** on projected local impacts.
- ▶ **Provide clear data:** number of residents losing benefits, projected sales losses, and anticipated service gaps.
- ▶ **Advocate for state-level mitigation measures**, including emergency food support, matching funds, or targeted exemptions.

6. Work With Community Partners

Trusted community organizations — anti-hunger organizations, food banks, shelters, workforce programs, immigrant services — will be the first to see residents in crisis. Municipal leaders must ensure they are well-informed and prepared.

CITIES SHOULD:

- ▶ **Convene community-based organizations (CBOs) and nonprofits** to explain changes, particularly time limits and exemptions.
- ▶ **Train frontline staff** who work with homeless populations, veterans, and youth aging out of foster care — groups disproportionately at risk of losing benefits.
- ▶ **Establish feedback loops** to hear directly from residents and providers about emerging gaps and hardships.

7. Engage Faith-Based Leaders

Faith-based leaders play a unique role in cities as trusted voices and first responders to community needs. In times of change and uncertainty, they are often the most credible messengers for families navigating complex systems, particularly in mixed-status households where fear or misinformation may prevent people from seeking help.

CITIES SHOULD:

- ▶ **Partner with faith leaders** to deliver factual, accessible information about SNAP changes and related supports.
- ▶ **Provide training and talking points** so faith-based leaders can confidently share accurate information with their congregations and communities.
- ▶ **Address the needs of mixed-status households**, clarifying who remains eligible for assistance and providing connections to safe legal or nonprofit resources.
- ▶ **Leverage trusted spaces** — churches, mosques, temples, and other faith institutions — as hubs for outreach, information-sharing, and even benefit navigation events.
- ▶ **Recognize faith-based organizations as service partners**, inviting them into planning tables alongside nonprofits, philanthropy, and city agencies.

By engaging faith leaders, cities can extend their reach, build trust with vulnerable households, and counteract misinformation with credible, community-rooted communication.

8. Strengthen Local Food Access Infrastructure

With federal cuts, local solutions will matter more than ever. Cities should strengthen existing food systems while planning for heightened demand.

CITIES SHOULD:

- ▶ **Map farmers' markets, mobile food vendors, and community gardens**, ensuring residents know where they can access fresh food.
- ▶ **Support SNAP matching programs** at farmers' markets and other outlets.
- ▶ **Partner with schools to protect meal access**, especially where the Community Eligibility Provision (CEP) may be weakened.



9. Strengthen Workforce Development and Employment Pathways

Most people who rely on SNAP are already working — often multiple jobs in the gig economy or low-wage sectors where hours are unpredictable, benefits are scarce, and advancement is limited. OBBBA's expanded time limits will not create jobs or raise wages; instead, they will increase pressure on families who are already stretched thin. Cities have a role to play in shifting the focus from punitive requirements to real opportunities for stability and growth.

CITIES SHOULD:

- ▶ **Partner with workforce development boards, community colleges, and chambers of commerce** to expand apprenticeships, job training, and career pathways in industries with living wages and long-term potential.
- ▶ **Engage the local SNAP agency** to better understand how the city can support Employment & Training (E&T) programs, while sharing the realities faced by community members — from unreliable transportation to the lack of affordable child care.
- ▶ **Identify and address systemic barriers**, such as:
 - » transportation gaps, including the need for vouchers, car repair assistance, or shuttle services;
 - » affordable child care, especially in small cities and rural areas where providers are disappearing;
 - » internet and computer access, which are now essential for applying to jobs, taking classes, and building digital literacy; and
 - » language access services, ensuring immigrant and multilingual households can connect with training and work opportunities.
- ▶ **Challenge the narrative that people are not working**, and instead highlight how instability in the labor market — not individual effort — drives hardship.
- ▶ **Encourage employers to invest in fair wages, training, and advancement opportunities**, reducing turnover and strengthening the local workforce.

By building real employment pathways and addressing barriers, cities can support residents who are already working hard but remain locked out of stability — moving the conversation away from punitive work requirements and toward meaningful opportunity.

10. Expand Volunteer and Service Opportunities

Expanded time limits in OBBBA mean more residents must meet new thresholds of 80 hours per month of work or community service. Cities can create opportunities that both satisfy these requirements and serve public needs. Cities should prioritize meaningful employment opportunities as the most effective path to family stability. However, given the expanded time limits in OBBBA, some residents may face increased pressure to engage in unpaid “volunteer” work just to keep food on the table. Local leaders must ensure that these programs do not worsen hardship.

CITIES CAN:

- ▶ **Develop or expand** volunteer programs in partnership with nonprofits.
- ▶ **Publicize eligible service** opportunities that align with city priorities (e.g., tutoring, food distribution, park maintenance).
- ▶ **Use city communication channels** to connect residents with opportunities and reduce risk of benefit loss.
- ▶ **Affirm that employment is the goal**, and avoid substituting unpaid volunteerism for real jobs.
- ▶ **Ensure volunteer roles are meaningful and non-exploitative**, connecting participants to skill-building, training, and pathways into the workforce.
- ▶ **Provide stipends for volunteers**, recognizing that “volunteering for food” is itself a hardship. Stipends should cover basic needs and affirm the dignity of participants.
- ▶ **Cover participation costs** by offering:
 - » transportation assistance so participants can reliably get to volunteer sites or training; and
 - » access to internet and computers so individuals can search for jobs, build digital literacy, and join the workforce more effectively.
- ▶ **Partner with local nonprofits, libraries, and workforce boards** to align volunteer opportunities with skill development and eventual employment.

This approach ensures that while communities navigate new federal restrictions, local programs protect residents from exploitation, reduce barriers to work, and actively support long-term economic mobility.

11. Lead With Data and Resident Engagement

Data-driven decision-making will help cities allocate scarce resources effectively. Resident voices must guide priorities.

CITIES SHOULD:

- ▶ **Use 211 lines, surveys, or listening sessions** to gather resident feedback.
- ▶ **Track benefit loss**, food insecurity rates, and retail closures in real time.
- ▶ **Share findings publicly** to build transparency and strengthen advocacy efforts.

12. Share Your Plan With the Community

Once your city has clearly articulated the implementation plan and ensured all partners are aligned and ready to act, it is essential to share the plan with a broader audience, including residents and communities directly impacted by OBBBA. Public sharing serves multiple critical purposes:

TRANSPARENCY

- ▶ Public offices should be transparent about the strategies and actions being undertaken to support residents.
- ▶ Transparency helps attract volunteers, enhances recruitment, and encourages additional partners to join as programs expand.
- ▶ Clearly communicating the city's vision and milestones allows constituents to understand City Hall's approach to addressing pressing community challenges.



ACCOUNTABILITY

- ▶ Sharing the plan publicly enables residents to hold the city and its partners accountable for implementation and outcomes.
- ▶ It establishes clear expectations for progress and helps maintain momentum among all stakeholders.

INNOVATION

- ▶ Publicizing the plan demonstrates intentional innovation and encourages creative approaches to problem-solving.
- ▶ Residents and partners are invited to view city challenges from new perspectives and contribute ideas or solutions.
- ▶ Pilot programs may be introduced with clearly defined success benchmarks, allowing innovation while managing risk.

PROGRESS

- ▶ Sharing the plan upfront allows the city to communicate specific challenges and outline strategies to address them.
- ▶ As initiatives unfold, celebrating "wins" and milestones strengthens community engagement and builds confidence in the city's leadership.

TACTICS FOR SHARING

- ▶ Cities can use multiple channels to ensure broad awareness:
 - » press releases from the mayor's office and relevant city agencies;
 - » email updates to key organizations, constituents, and newsletter subscribers;
 - » public launch events to introduce and engage partners and residents, orient local media to city needs, highlight collaborating organizations, and energize volunteers; and
 - » coordination with communications/public information offices to elevate the plan across agencies, stakeholders, and media outlets.

Sharing the plan is not just a formality — it is an integral component of effective governance, fostering transparency, accountability, innovation, and community engagement while ensuring that residents are aware of and involved in the city's response to OBBBA.

13. Build a Regional Community of Practice

Cities do not face OBBBA's impacts in isolation. Neighboring municipalities often share the same food retail networks, nonprofit providers, and state-level SNAP systems. By organizing into a community of practice, city leaders can share strategies, pool resources, and strengthen their advocacy voice.

WHY IT MATTERS

- ▶ **Shared challenges:** Many grocery and convenience stores in low-income and rural communities rely on SNAP for a large share of their sales — often more than half. A 20 percent cut to SNAP would make it extremely difficult for these stores to remain open. In many small towns and rural regions, a single store often serves multiple communities. When that store closes, the impact is not limited to one neighborhood or one city — it creates regional food access gaps and increases food insecurity across entire counties.^{10,11}
- ▶ **Efficient learning:** Cities facing similar service pressures — such as homelessness, rising demand on food pantries, or strained police resources — benefit from exchanging operational solutions rather than each reinventing them in isolation.
- ▶ **Stronger advocacy:** When multiple cities approach state legislators or congressional delegations together,

they demonstrate that the problem is not confined to one locality but represents a broad statewide concern. Regional coalitions carry greater weight in legislative debates and budget negotiations.

CITIES SHOULD:

- ▶ **Convene regular meetings** (virtual or in-person) with nearby municipalities to exchange data, strategies, and case studies.
- ▶ **Create shared dashboards** to track benefit losses, retail closures, and local service impacts across jurisdictions.
- ▶ **Coordinate joint letters, testimony, and delegations** to statehouses and Congress to elevate local impacts with a unified voice.
- ▶ **Explore resource-sharing agreements**, such as pooled emergency funds or cross-city staff training, so smaller municipalities are not left behind.
- ▶ **Engage regional planning bodies, councils of governments, or county associations** to provide structure and continuity to the practice.

By building a regional community of practice, cities can both strengthen their internal capacity to respond to OBBBA's impacts and ensure state and federal policymakers hear a consistent, evidence-driven message about what communities need.



IV OBBBA Cuts to SNAP

1. Shifting Costs to States and Localities¹²

Beginning in fiscal year 2027, the federal government will reduce its share of SNAP administrative costs from 50 percent to 25 percent. States — and in some places, counties that directly administer SNAP — will shoulder the remaining 75 percent. This shift will strain already tight budgets, cause administrative delays, and likely lead to staffing cuts.

- ▶ In states like California, Minnesota, Ohio, Virginia, Wisconsin, and Colorado, counties already contribute directly to SNAP administration and will face even larger shortfalls.
- ▶ In New York, New Jersey, and North Carolina, counties are responsible for the entire non-federal share, meaning these local governments will be forced to raise revenue or reduce services.

The result: If counties and states do not cover the loss of federal administrative funding, cities will face higher demand for local human services as residents encounter delays, errors, and denials in SNAP processing.

2. States Required to Pay for SNAP Benefits

SNAP has one of the most rigorous quality control mechanisms.¹³ Payment error rates measure how accurately states determine eligibility and benefit amounts, including both overpayments and underpayments.¹⁴ U.S. Department of Agriculture (USDA) validates state reviews to produce official error rates. States with rates above 6 percent, or that fail to review 98 percent of cases, must file a Corrective Action Plan and repay overpayments while reimbursing households for underpayments. Errors are administrative mistakes, not fraud.¹⁵ Fraud, which involves intentional deception, is extremely rare in SNAP.^{16,17}

For the first time in SNAP's history, beginning in fiscal year 2028, states will be required to pay a portion of food benefits themselves — not just administrative costs. Payments will be tied to a state's error rate, which fluctuates due to complex federal rules and paperwork challenges.

- ▶ Most states hover near or above the 6 percent threshold, which could trigger mandatory contributions.
- ▶ This will create volatile budget impacts, forcing states to cut elsewhere — often by reducing aid to cities and counties.

States will need to either raise new revenue during a period of economic uncertainty or cut other programs — including local aid — to close the gap.

3. Expanded Time Limits

Effective immediately, OBBBA expands SNAP's strict time limits far beyond historic precedent.

- ▶ Previously, only adults ages 18–54 without dependents had to document at least 20 hours of work or qualifying activities each week; now, that same 20-hour documentation requirement applies to adults up to age 65 parents and caregivers of children 14 and older, veterans, homeless individuals, and former foster youth.
- ▶ Research shows these policies do not increase employment but instead cause eligible people to lose benefits due to paperwork, child care shortages, or unstable work schedules.¹⁸

Cities will face growing hardship among working-age adults and caregivers. Rural towns and small cities, already struggling with declining child care access and high underemployment, will be especially affected.¹⁹

4. Loss of Food Security for Immigrants

The law sharply restricts noncitizen eligibility, barring long-eligible groups such as refugees, asylees, trafficking survivors, and others. This represents a dramatic reversal of long-standing policy.

Cities with large immigrant populations will see families cut off from SNAP overnight, increasing demand on local food pantries, shelters, and city services.

5. Shrinking Value of SNAP Benefits

The USDA created the Thrifty Food Plan (TFP) in 1975 to estimate the lowest-cost diet that meets nutritional needs, forming the basis for SNAP benefits. It considers dietary guidelines, food consumption patterns, and prices, most recently updated with 2016 data. The 2018 Farm Bill directed USDA to modernize the TFP, resulting in a 2021 update that better reflects current costs and nutritional standards. However, OBBBA changes this process by requiring future updates to be “cost-neutral,” preventing any benefit increases even if food prices or dietary needs change. This requirement means SNAP benefits will no longer keep up with food inflation.

FOR CITIES, THIS MEANS:

- ▶ less federal food spending circulating in the local economy;
- ▶ more households falling short at the grocery store and turning to emergency food systems; and
- ▶ increased strain on already overburdened nonprofits

6. Utility and Internet Exclusions

The law removes key utility cost deductions in benefit calculations:

- ▶ Families receiving LIHEAP assistance no longer automatically qualify for higher deductions, unless they include an older adult or person with a disability.
- ▶ Internet expenses can no longer be counted at all, despite their importance for job searches, education, and stability.

These changes will reduce benefit levels for many households, further eroding consumer spending power in local economies.

7. Defunding of SNAP-Ed

As of fiscal year 2026, SNAP-Ed has been defunded, which previously supported nutrition education, initiatives for healthy food access, and community partnerships like gardens and cooking classes.

FOR MUNICIPALITIES, THIS MEANS:

- ▶ loss of federal dollars for local public health and food access programs;
- ▶ reduced ability to address diet-related chronic disease through prevention; and
- ▶ greater reliance on local funding or philanthropy to fill the gap.

Bottom Line for Cities

SNAP is more than just an anti-hunger initiative; it plays a vital role in stimulating local economies, supporting public health, and promoting family stability. City leaders should proactively prepare for:

- **increasing homelessness;**
- **mounting pressures on already overextended city services;**
- **instability in retail and the emergence of food deserts;**
- **diminished household purchasing power affecting tax revenues; and**
- **greater demands on nonprofits, faith organizations, and charitable groups.**

Municipalities must act now to understand these issues, forecast local impacts, and craft coordinated strategies to safeguard residents and sustain economic vitality.

V Conclusion

H.R. 1/OBBBA represents a profound shift in the federal and local partnership by shifting additional responsibilities and costs to local governments. Cities will bear the brunt of increased hardship as families lose benefits and local economies contract. By understanding the impacts, engaging retailers, coordinating with philanthropy, mobilizing delegations, supporting partners, strengthening food access, and expanding service opportunities, municipalities can mitigate the damage and protect their most vulnerable residents.

The playbook for mitigating harm to local communities and businesses is not a call for short-term fixes, but a roadmap for resilience, partnership, and advocacy. Cities that act now will be better positioned to protect families, stabilize local economies, and maintain the health and vitality of their communities.

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