Enrolled No. R169-036 **RESOLUTION** **File No. 25-26/057**

SUPPORTING STATE INVESTMENT FOR INCOME MAINTENANCE ADMINISTRATION

WHEREAS, the federal budget reconciliation package enacted in July 2025, makes changes to Supplemental Nutrition Assistance Program (SNAP) that would significantly reduce federal expenditures and therefore impact county administered services; and

WHEREAS, these changes extend SNAP work requirements to individuals up to age 64, lower the child age threshold for parent exemptions, and eliminate waivers for areas with high unemployment, thereby increasing referrals to the FoodShare Employment and Training (FSET) program and workload for county human service departments; and

WHEREAS, the legislation requires states to contribute a minimum of 5% toward the cost of SNAP benefits if their error rate is 6% or higher, facing penalty funding of between 5% and 15% of total SNAP costs; and

WHEREAS, Wisconsin's current SNAP payment error rate is 4.47%, but without additional investment in eligibility and administrative systems, heightened workloads could push the state above the 6% threshold, triggering significant penalties; and

WHEREAS, if Wisconsin's error rate reaches 6% on or after October 1, 2027, the state's 5% cost share would be approximately $69 million annually, with potential penalty payments increasing the state's financial burden—costs that could ultimately cascade down to counties; and

WHEREAS, the SNAP administrative match rate for Income Maintenance (IM) activities has been reduced from the previous 50% federal / 50% state-local to 25% federal / 75% state-local, substantially reducing federal revenue available to counties to administer SNAP; and

WHEREAS, the reduction in administrative funds would likely lead to a reduction in IM staff, which could result in an increased payment error rate; and

WHEREAS, county IM administrative costs are approximately $123 million annually, with SNAP-related workload accounting for about $49 million of those costs; and

WHEREAS, the new administrative match rate results in an estimated $17 million annual loss in SNAP administrative funding to counties; and

WHEREAS, these federal cuts result from shifting the benefit and administrative costs to states and counties (reducing resources available for local administration), tightening work requirements (increasing county workload), and penalizing minor payment errors (resulting in more cost to the states); and

WHEREAS, counties operate under state-imposed property tax levy limits, restricting their ability to offset such funding losses without additional state or federal relief; and

WHEREAS, in Eau Claire County, the federal and state contributions are approximately $3,000,000; and

WHEREAS, Eau Claire County currently has 10,125 individuals open for FoodShare benefits, the dramatic cut would affect the county's ability to adequately provide this service; and

WHEREAS, Eau Claire County has no capacity to cover the federal reduction in SNAP benefits; and

NOW, THEREFORE, BE IT RESOLVED that the Eau Claire County Board of Supervisors urges the State of Wisconsin to provide funding to offset the county fiscal impact caused by the federal SNAP changes, and to work with counties to ensure adequate resources for the administration of FoodShare and related programs; and

BE IT RESOLVED that the Eau Claire County Clerk is hereby authorized and directed to send a copy of this Resolution to the Governor of the State of Wisconsin, Wisconsin State Legislators with a constituency within Eau Claire County, the Wisconsin Counties Association, and the Wisconsin County Human Service Association.

ADOPTED: September 16, 2025
Sue McDonald
County Clerk
Eau Claire County, WI