RESOLUTION - R2025-10-10

To: The Honorable Chair and Members of the Oconto County Board of Supervisors

Re: Support of State Investment for Income Maintenance Administration

WHEREAS, the federal budget reconciliation package enacted in July of 2025, makes changes to the SNAP (FoodShare) program that would reduce federal costs and significantly impact countyadministered 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 could 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, the fiscal impact to Oconto County in quarter 4, 2026 is estimated to be \$56,766 in financial loss. Fiscal impact for year 2027 is estimated to be between \$227,064 and \$236,146 to Oconto County in financial loss.

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

BE IT FURTHER RESOLVED that the Oconto 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 Oconto County, the Wisconsin Counties Association, and the Wisconsin County Human Service Association

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Submitted this 30th day of October, 2025.

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By: HEALTH AND HUMAN SERVICES BOARD

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Thomas Bitters, Chair Jolene Barkhaus Bart Schindel Stephanie Holman Tracy A. Winkler David VanZeeland Karl Ballestad Kathy Gohr Julie Graef

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Electronically Reviewed by Corporation Counsel on 09.23.2025 - BLE

Adopted by an electronic vote: 26 Ayes, 0 Nays, 4 Absent, 0 Abstain, 1 Vacant

STATE OF WISCONSIN

COUNTY OF OCONTO

I, Kim Pytleski, do hereby certify that the above is true and correct copy of the original now on file in the office of the County Clerk and that it was adopted by the Oconto County Board of Supervisors on this date. DATE: 10/30/2025 Kim Pytleski, County Clerk