# **Insights for Impact: Federal Nutrition Programs**

The Department of Agriculture (USDA) Food and Nutrition Service (FNS) administers a variety of crucial federal nutrition programs, which include the Supplemental Nutrition Assistance Program (SNAP), Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Child nutrition programs (i.e. National School Lunch Program and School Breakfast Program), and food distribution programs, among others. These programs serve about one quarter of Americans, and federal spending on nutrition assistance totaled \$166.4 billion in fiscal year 2023. The size and impact of these programs make them key tools for policymakers looking to influence the health of the nation and reduce spending. Nutrition is also a core component of the "Make America Healthy Again" (MAHA) movement championed by Robert F. Kennedy Jr. and the Trump Administration.

In this *Insights for Impact*, we review potential policies the 119<sup>th</sup> Congress and the second Trump Administration may pursue that would impact the funding, eligibility, and delivery of key federal nutrition programs.

## Funding and Benefit Structure

Federal nutrition programs impact millions of Americans and provide an important lever for shaping food policy and directing spending. Differences in the structure of each program inform policymakers' agendas.

| Funding   | USDA releases most federal nutrition funding via grants, except for SNAP and the school  |  |  |  |
|-----------|--|--|--|--|
| Mechanism | meal programs which are entitlement programs. SNAP and the child nutrition programs      |  |  |  |
|           | are funded mostly by mandatory spending while WIC's funding to states is discretionary   |  |  |  |
| Benefit   | WIC provides benefits in "food packages" with approved food lists based on a recipient's |  |  |  |
| Delivery  | eligibility type. In contrast, SNAP benefits are provided as a monthly allotme           |  |  |  |
|           | increasingly through electronic benefits transfer (EBT) cards. School meal programs      |  |  |  |
|           | reimburse schools for the meal costs of qualifying children. The Community Eligibil      |  |  |  |
|           | Provision (CEP) allows schools or groups of schools that meet a certain threshold        |  |  |  |
|           | students who participate in other means-tested programs to provide free lunch to all     |  |  |  |
|           | students.  |  |  |  |

The flexibility of SNAP benefits and its mandatory funding level have made the program a target for conservative lawmakers looking to reduce spending on social programs. CEP is also a Republican target.

## Policymaking

## i. Congress

Legislators could use budget reconciliation and Farm Bill reauthorization to modify nutrition programs over the next 12 to 15 months. The newly established MAHA caucus also plans to promote access to Food is Medicine (FIM) programs and advance policies aimed at preventing chronic disease.

#### Reconciliation

As Republicans look to fund their tax priorities, they are considering cuts to federal programs, including nutrition programs. Policies that could be included in reconciliation based on documents circulated by the House Ways & Means (W&M) Committee (Impact summary) are detailed in Table 1. Republican leadership recently held markups and passed budget resolutions out of both chambers, but significant differences between the House and Senate plans remain unresolved.

Table 1: Reconciliation Options for Federal Nutrition Programs

| Program         | Proposal   | Description  | Estimated        |
|-----------------|--|--|------------------|
|                 |  |  | Savings          |
| SNAP            | Reform the 2021 Revaluation of the Thrifty Food Plan (TFP) (Impact summary)                                      | Make several changes including requiring updates to be budget neutral and repealing the increase under Biden   | \$274<br>billion |
|                 | End Broad-Based Categorical<br>Eligibility   | Remove the ability for individuals to automatically enroll in SNAP based on participation in other welfare programs  | \$10 billion     |
|                 | End SNAP-LIHEAP Linkage  | End the connection between SNAP and<br>the Low-Income Home Energy Assistance<br>Program (LIHEAP) allowing recipients to<br>be eligible for larger countable income<br>deductions | \$7 billion      |
|                 | SNAP Work Requirements   | Raise the age limit for exceptions to work requirements to 56 and restrict the ability of states to develop work requirement exemptions  | \$5 billion      |
|                 | Cap SNAP Maximum Benefit   | Cap the maximum household size at a family of six  | \$2 billion      |
| School<br>Meals | Require Income Verification<br>for School Breakfast Program<br>(SBP) and National School<br>Lunch Program (NSLP) | Require all students who apply and are approved for free and reduced-price meals to submit income verification   | \$9 billion      |
|                 | Change Community Eligibility<br>Provision (CEP)  | Increase the CEP threshold for schools to provide no-cost school meals to all students from 40 percent to 60 percent participation in other means-tested programs                | \$3 billion      |

## Farm Bill Reauthorization

Congress could also pursue nutrition reforms as part of Farm Bill reauthorization, which expires at the end of the fiscal year. The <u>Farm Bill</u> authorizes most <u>federal nutrition programs</u>, including SNAP, and is intended to be reauthorized every five years. Congress <u>extended</u> the <u>2018 Farm Bill</u> for the past two years as legislators failed to come to an agreement on a <u>new package</u>. A <u>key sticking point after legislation</u>

passed the House Agriculture Committee in 2024 (Impact summary) was Republicans' insistence that TFP updates be budget neutral. Most Democrats refused to pass a bill with this provision.

Another controversial provision would have modified the statutory purpose of SNAP to address dietrelated diseases, allowing states to restrict purchases. Republicans have <u>criticized SNAP</u> for contributing to obesity and called for limitations on participants' purchases. Democrats have generally <u>opposed this proposal</u>, which they say unfairly restricts what low-income individuals can purchase without evidence that participants have different purchasing patterns than non-participants. Instead, Democrats support growing the Gus Schumacher Nutrition Incentive Program (GusNIP) which provides incentives for participants to purchase healthy foods. House Republicans recently <u>discussed</u> a bill to prohibit SNAP purchases of "junk food" but it did not pass out of committee due to concern about vague definitions.

Republicans may revisit the Farm Bill now that they have control of Congress. How reconciliation plays out will significantly influence which policies Republicans include in reauthorization.

## ii. Administration

Without an updated unified agenda, it is not yet clear what regulations the Trump Administration is contemplating for FNS. However, USDA Secretary Brooke Rollins' positions on key issues, recent executive orders (EOs), and MAHA priorities provide insight into potential regulatory action. Secretary Rollins was the President and CEO of the Trump-aligned America First Policy Institute, whose USDA policy is focused mostly on agriculture and climate programs. While Rollins did not say much about nutrition during her confirmation hearing, she noted her priority is to ensure nutrition assistance is used "effectively and efficiently for true nutrition reasons" and supported work requirements for safety net programs. After being sworn in, Secretary Rollins shared her principles for USDA nutrition programs including modernizing delivery, supporting state innovation, clarifying requirements, associating SNAP benefits with the expectation of work, connecting farmers to nutrition programs, and aligning federal dietary policy with science over politics.

#### Recent Executive Orders

President Trump issued a slew of EOs during his first month in office, downsizing federal programs by eliminating diversity, equity, and inclusion components, encouraging the Department of Government Efficiency (DOGE) to cut agency staff and regulations, and empowering Secretary Kennedy to work on MAHA priorities. The Trump Administration's federal funding freeze and rollback of policies and programs related to equity could impact federal nutrition programs which explicitly included an equity focus under the Biden Administration. President Trump also issued executive orders to halt regulations not explicitly required by statute and significantly "reduce federal bureaucracy" through agency collaboration with DOGE. While the full impact of DOGE cuts on domestic nutrition programs is not yet clear, Secretary Kennedy has suggested the food division at the Food and Drug Administration and nutrition staff at other agencies could be targets.

President Trump also signed an <u>executive order establishing a MAHA Commission</u> to investigate the root cause of America's health crisis with an emphasis on <u>childhood</u> chronic disease, including diet as a contributing factor. The commission is directed to issue a "Making Children Healthy Again" assessment

within 100 days and a strategy based on the findings of the assessment within 180 days. Secretary Kennedy will be able to influence nutrition policy as Chair of the commission, which also includes Secretary Rollins, even though he does not have formal authority over USDA programs. Kennedy's nutrition priorities include reducing consumption of ultra-processed foods and banning food additives.

#### School Nutrition Standards

While congressional action is likely necessary to limit what types of foods may be purchased with SNAP, the Administration may still try to enhance nutrition standards in child nutrition programs. During Rollins's confirmation hearing, she <u>supported</u> restricting ultra-processed foods in school meal programs. However, the first Trump Administration worked to <u>roll back enhanced school nutrition standards</u> enacted under President Obama and the Biden Administration received <u>strong pushback</u> for <u>increasing school meal nutrition standards</u>. This could be a potential conflict between the MAHA movement and historical Republican support for deregulation of agriculture and food production.

#### **SNAP Eligibility**

The Administration may try to implement the SNAP-related reconciliation proposals included in Table 1 if Congress does not pass them. Work requirements are a priority of conservative policymakers who are concerned that federal assistance disincentivizes employment and creates dependency on the government. Current regulation requires able-bodied adults without dependents (ABAWDs) to work 80 hours per month and be subject to a three-month time limit unless waived by the state. The first Trump Administration proposed to broaden work requirements and limit the ability of states to exempt ABAWDs from work requirements, but the rule was struck down in court. The previous Trump Administration also promulgated regulations to limit broad-based categorical eligibility, reduce flexibility in accounting for utility costs when determining SNAP eligibility, and include SNAP in "public charge" programs to limit immigrant enrollment. The Biden Administration did not finalize the rule on categorical eligibility and reversed the changes regarding limited flexibility for utility costs and public charge.

#### Food is Medicine

FIM programs aim to connect medical practice with food and nutrition services to address diet-related diseases. Unlike the priorities and programs discussed above, HHS has taken the lead on FIM programming. These programs include produce prescriptions (some operate under GusNIP grants from USDA), medically tailored meals, and access to nutrition counseling in health care settings. The MAHA movement's focus on the relationship between diet and chronic disease may spur regulatory activity to promote FIM projects such as new grant funding, support for pilot programs within Medicare and Medicaid, and enhanced nutrition education requirements for health care providers. These projects have bipartisan support, including several bills that were introduced during the 118th Congress (Impact summary). However, a significant amount of FIM work is happening through section 1115 waivers in state Medicaid programs that may be targeted for substantial cuts in reconciliation.

## Stakeholder Positions

Ideological differences on the role of government shape stakeholder positions, with conservatives embracing more limited nutrition programs and progressives, including nutrition advocates, backing equity-focused programs to increase access. Proponents also include grocers and food sellers, who

participate in nutrition programs such as SNAP, as well as health care providers and insurers who support FIM initiatives. We include more details on policy positions below.

## i. Conservative Think Tanks

In addition to the reconciliation options mentioned above, the Heritage Foundation's <u>Project 2025</u>, suggests reforming the WIC state voucher system for infant formula to prevent monopolies, deregulating infant formula manufacturing, and raising the CEP eligibility threshold to make it more restrictive.

## ii. Nutrition Advocacy Organizations

The Food Research and Action Center (FRAC), the leading nutrition advocacy organization, prioritizes expanding program access, improving EBT card security, providing universal free school meals, and enhancing school nutrition standards. Recently, FRAC condemned the OMB federal funding freeze and urged President Trump to not cut federal nutrition programs like SNAP, emphasizing the important role of these programs in rural areas and the south. Additionally, a report by FRAC and a position paper by the School Nutrition Association (SNA), an association of school food authorities, show that CEP increases school meal participation, eliminates school meal debt, and reduces administrative burden. FRAC and SNA encourage Congress to expand the applicability of CEP and increase payment for CEP meals. SNA also called on its members to oppose the W&M Committee's reconciliation policy options.

#### iii. Food Retailers

The National Grocers Association (NGA), which represents independent grocers and food retailers, supports enhanced access to nutrition programs with modernized benefit delivery. NGA's Farm Bill priorities include maintaining SNAP purchase flexibility, making SNAP online purchasing permanent, supporting innovative payment methods, and opposing structural changes to SNAP like block grants or food boxes. NGA's WIC priorities are to increase the availability of WIC foods, streamline retailer participation, and expand WIC access through grocery stores.

## Get Involved

Nutrition programs will continue to attract the attention of federal policymakers in 2025 and beyond. However, it remains to be seen how Republicans will address the tension between the MAHA movement's focus on chronic disease and nutrition and other party priorities such as deregulation and spending cuts.

If nutrition policy is important to you, be sure to include a position in your advocacy plan for 2025. Impact Health can help you develop policies and positions, think through strategy, and craft arguments to influence policymakers. Please reach out to us with any questions.