



Eliminating the Benefit Cliff and Achieving Savings for Taxpayers: A Reform Proposal for the Supplemental Nutrition Assistance Program

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Key Points

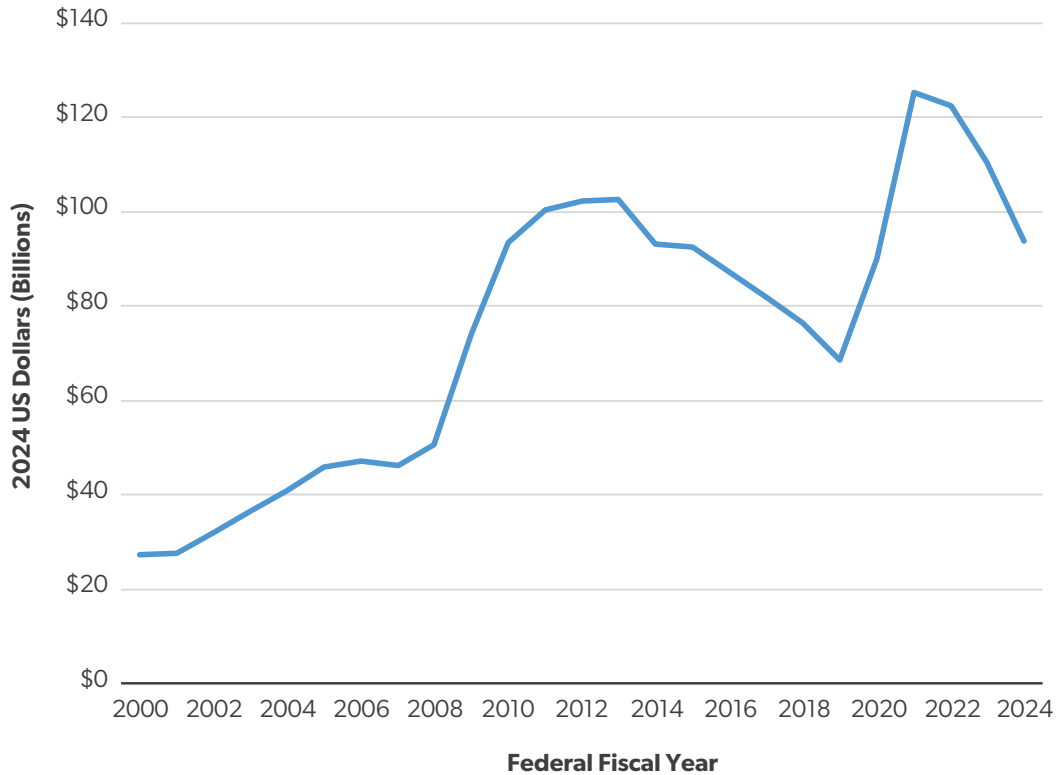
- The Supplemental Nutrition Assistance Program (SNAP) is one of the nation’s largest safety-net programs for low-income households in the US, distributing over \$94 billion in food benefits in fiscal year 2024.
- SNAP’s benefit design results in large benefit cliffs that discourage employment among participants, jeopardizing the program’s overall effectiveness.
- This proposal would align the four components of the SNAP benefit structure—the maximum benefit levels, the tapering point, the benefit reduction rate, and the exit point—to eliminate benefit cliffs and improve employment outcomes for participants while reducing program costs.
- Total SNAP benefit costs would remain consistent with historic norms and Congressional Budget Office baseline projections as recently as 2021, and savings could be repurposed to other safety-net reforms, such as improving the refundable child tax credit in this year’s tax legislation, or used to reduce the deficit.

The Supplemental Nutrition Assistance Program (SNAP) plays a vital role in providing food assistance to low-income households in the United States. Like other means-tested government programs, SNAP benefits gradually decrease as household income rises, ensuring that resources are directed to those most in need. However, the structure of SNAP benefits can lead to abrupt reductions when households reach certain income thresholds. In some cases, families may lose at least as much in SNAP benefits as they gain in earnings, a phenomenon known as the “benefit cliff.” This can influence employment decisions, potentially discouraging individuals from accepting higher-paying jobs or increasing their work hours.

SNAP’s benefit cliffs are deeply concerning for several reasons. Not only do benefit cliffs discourage work and impede upward mobility for households, but the prospect of an abrupt drop in benefits can create income instability and demoralize individuals who seek higher pay or additional work. Furthermore, benefit cliffs have broader economic impacts by reducing the availability of prime-age workers to employers and decreasing worker productivity.

This report outlines a policy proposal that would substantially lessen employment disincentives in SNAP by eliminating benefit cliffs while returning program expenditures to historical norms. To do so, the proposed policy would reform certain features of the benefit

Figure 1. SNAP Benefit Costs, Adjusted for Inflation



Source: US Department of Agriculture, Food and Nutrition Service, “Supplemental Nutritional Assistance Program Participation and Costs,” January 10, 2025, <https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap>.

Note: Similar growth is seen using per capita costs.

structure that impede a gradual phaseout, ensuring that SNAP benefits taper to zero as households approach the gross income limit.¹ At a time when policymakers need to constrain government costs to address the country’s broader fiscal crisis,² this proposal would also reduce government expenditures, saving as much as 27 percent of program costs.

Background

SNAP is the United States’ largest food assistance program. It provides low-income households with a monthly benefit to be used at authorized food retailers. After several years of sharply increased SNAP spending during the pandemic, SNAP benefit costs still topped \$94 billion in fiscal year 2024 (Figure 1). This was more than double SNAP benefit costs in constant dollars from two decades ago and 37 percent higher than pre-pandemic spending in 2019 due to expanded

eligibility criteria, increased benefit levels, and higher participation among eligible households that continued well after the pandemic ended.³

While SNAP benefit costs have grown, participant outcomes have stagnated or gotten worse, raising concerns about SNAP’s overall effectiveness. Despite large increases in SNAP expenditures since the turn of the century, household food insecurity rates have been relatively constant, fluctuating between 10 and 14 percent of households.⁴ Large increases in SNAP funding have not correlated with sustained decreases in food insecurity rates,⁵ raising questions about the relationship between rising SNAP expenditures and food insecurity.

Furthermore, SNAP participants have low employment levels. Less than half of able-bodied SNAP adults (i.e., adults without a disability) work while receiving SNAP.⁶ Additional concerns over the growth in SNAP expenditures involve the poor nutritional outcomes among participants. More than 60 percent of older

SNAP adults (age 50–64) and three in 10 prime-age SNAP adults (18–49) report having been diagnosed with a diet-related disease. The lack of nutrition standards combined with employment disincentives in SNAP are likely to exacerbate these health issues, which include disproportionately high obesity rates.⁷

One potential reason for poor participant outcomes is the benefit design. Research shows that SNAP discourages work.⁸ This can happen because SNAP, along with other government income, can replace the need to work. It can also occur because households face a financial disincentive to working more when benefits decrease too abruptly as earnings increase (i.e., a benefit cliff). These work disincentives reduce SNAP participants' employment, constraining household income and impeding upward mobility. One way to combat these work disincentives is to phase benefits out gradually at a reasonable and predictable rate until benefits reach zero dollars.

SNAP eligibility rules establish benefit levels and assume that households contribute a certain portion of their income to their food budget, resulting in a gradual phaseout of benefits. SNAP households are supposed to contribute approximately 30 percent of their net income toward the value of the maximum SNAP food allotment for their household size, with the SNAP benefit making up the difference. This means households should expect to lose \$0.30 in benefits for every \$1.00 increase in earnings until the benefit phases out to zero at the income eligibility limit. However, due to various income deductions and allowances, SNAP benefits phase out at different rates and most often do not phase out to zero once households reach the income eligibility limit. This creates a benefit cliff, which can substantially discourage work.⁹

The US Department of Agriculture (USDA) Food and Nutrition Service (FNS) increased SNAP benefit levels in 2021 through a reevaluation of the Thrifty Food Plan. The executive action was unprecedented, marking the first time SNAP benefits levels increased through a Thrifty Food Plan reevaluation and not explicitly through a law passed by Congress. A Government Accountability Office report found that the FNS acted improperly in its reevaluation of the Thrifty Food Plan, raising questions about the process and the program's resulting growth.¹⁰ The increase in SNAP benefit levels stemming from the Thrifty Food Plan reevaluation not

only increased overall SNAP expenditures but also made the benefit cliff problem worse because benefit levels increased without expanding the income limits. Essentially, this resulted in higher benefits at the SNAP exit income—and a larger benefit cliff for SNAP households.

Because of these design features, SNAP benefits do not phase out gradually as intended. In a working paper for the Georgia Center on Opportunity, one of us (Erik Randolph) found that in some scenarios, SNAP households would need as much as a 60 percent raise to overcome SNAP benefit losses.¹¹ Research by the Department of Health and Human Services suggests that the prospect of losing benefits reduces the likelihood of individuals accepting a higher-paying job.¹² Further, according to a survey of current and former benefit recipients, almost 35 percent reported that they would not accept a higher-paying job if it resulted in a benefit loss that would require reapplying for benefits if their income situation changed.¹³

Restructuring the SNAP Benefit

To address SNAP's benefit cliff and the associated employment disincentives, the benefit structure requires reform. A restructured benefit should provide predictable benefit levels and eliminate abrupt benefit reductions as income rises, thereby lessening employment disincentives. Our proposal aligns the four key factors for determining the SNAP benefit—the maximum benefit levels, the tapering point, the benefit reduction rate (BRR), and the exit point.

Aligning these four components of the SNAP benefit structure will eliminate the benefit cliff for most households. It will also make determining benefits more straightforward and consistent across states by eliminating the net income test and the need for broad-based categorical eligibility (BBCE). Because our approach would negate the need for states to expand the gross income test using BBCE, we also propose to increase the asset limit to \$7,500 to eliminate the need to use BBCE altogether.¹⁶

Overall, our proposal initiates a gradual phaseout of benefits from the first dollar of countable income, combined with a lower BRR and a gradual phaseout of benefits to zero as income rises. This approach creates a smoother transition as earnings increase, encouraging upward mobility while maintaining essential support.

Proposal to Restructure SNAP Benefits to Eliminate Benefit Cliffs

Maximum Benefit Levels

We propose to maintain the current maximum SNAP benefit levels by household size and adjust annually for food inflation using only the Consumer Price Index for All Urban Consumers. The USDA determines SNAP maximum benefits using the Thrifty Food Plan, which reflects the cost of a budget-conscious, nutritionally adequate diet tailored to household size.¹⁴ This method differs from alternatives such as tying benefit levels to a percentage of household income. Regardless of the approach used to set maximum benefit levels, it is essential to align those amounts with tapering points, BRRs, and exit income thresholds to avoid benefit cliffs.

Under our proposal, we retain the existing maximum benefit levels, as determined by the Thrifty Food Plan. Although altering the Thrifty Food Plan has been the subject of policy debate in recent years, we believe that further adjustments to the Thrifty Food Plan are beyond the scope of this proposal. Nevertheless, any future changes to the Thrifty Food Plan should be cost neutral. Keeping the existing maximum benefit levels requires adjusting the tapering point, BRR, and exit point to avoid benefit cliffs. However, this means households will experience different exit income relative to the FPL.

We chose this approach because we wanted to prioritize a consistent and reasonable BRR while minimizing the impact on maximum benefit levels. Alternatively, policymakers could standardize the exit income relative to the FPL, but this would require adjustments to the maximum benefit levels or variation in the BRRs to avoid benefit cliffs.

Tapering Point

We propose to eliminate all income deductions in determining the SNAP benefit level and start the benefit phase-out at the first dollar of countable household income. This includes eliminating the earnings deduction, standard deduction, excess shelter expense deduction, excess medical expenses deduction, childcare deduction, and child support deduction.

BRR

We propose an 18 percent BRR—also called the tapering rate—decreasing it from the existing 30 percent. The

BRR means households will contribute 18 percent of their income toward food purchases. According to the USDA's Economic Research Service, households in the lowest income quintile spend approximately 32 percent of after-tax income on food (excluding tax credit income and SNAP income), and households in the second quintile spend 18 percent of after-tax income on food, ensuring that the BRR is in line with actual food expenditures as a share of non-benefit-related household income.¹⁵ A lower BRR will result in a slower phaseout of SNAP benefits and a smaller effective marginal tax rate than under current policy.

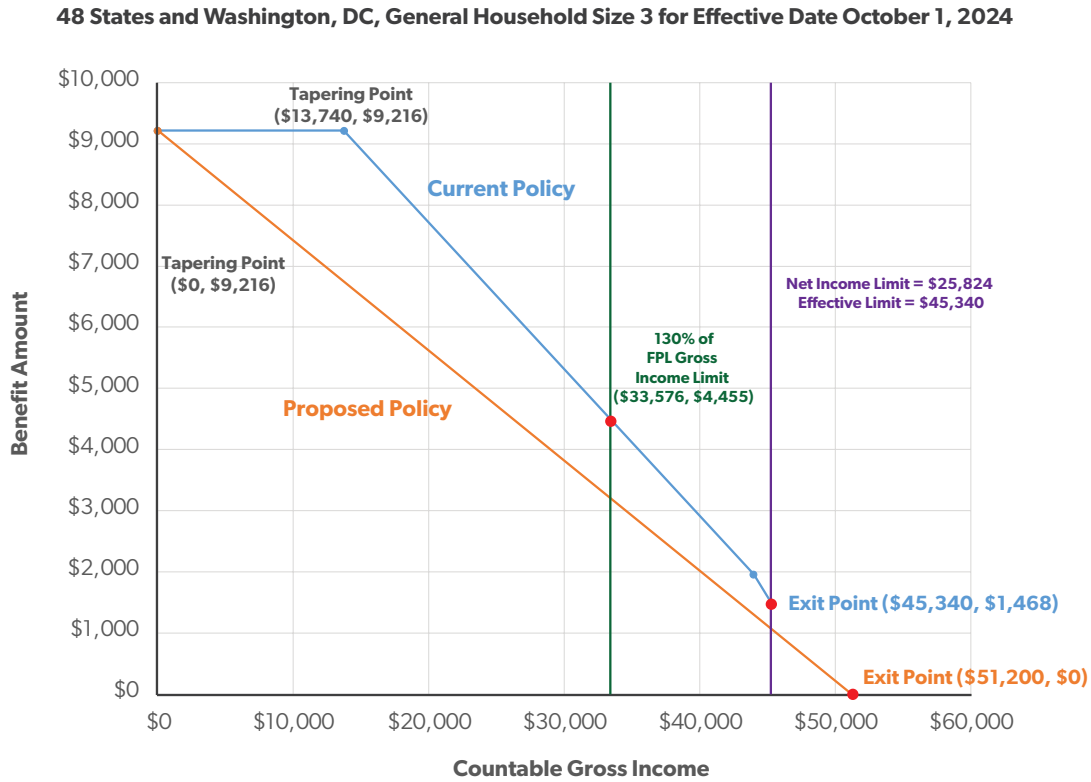
Exit Point

To eliminate the existing SNAP benefit cliff, the benefit must phase out to zero as income increases. The starting benefit and BRR determine the income at which the household exits SNAP. This means households of different sizes will exit SNAP at different income levels relative to the FPL, assuming current maximum allotments. For example, benefits to a SNAP household containing one member will phase out to zero at approximately 130 percent of the FPL, while benefits to a household with two members will phase out to zero at 150 percent of the FPL.

To ensure reasonable targeting of SNAP benefits to low-income households, we propose an income eligibility cap of 200 percent of the FPL. Establishing an income eligibility cap will ensure that any future benefit increases do not unintentionally expand the income eligibility limit beyond this point. Additionally, the cap means larger households may still experience a modest benefit cliff at higher incomes under the current maximum benefit levels (although smaller than under current policy) because of the starting point.

To completely eliminate the benefit cliff for these larger households, the income eligibility limit would have to increase beyond 200 percent of the FPL, the maximum SNAP benefit level would have to decrease, or the BRR would have to increase. Policymakers could consider these alternative strategies to ensure that larger households' benefit cliffs are completely eliminated. Notably, because we propose that benefit levels increase by only food inflation, benefit cliffs for these larger household sizes would also decrease if food inflation grew less than the inflation rates used to determine the FPL.

Figure 2. SNAP Benefits (Household Size of Three): BRR Reform of 18 Percent vs. Current Policy



Source: Authors' calculations.

Note: Current policy calculations assume the national average BBCE gross income limits of 181.3 percent of the FPL, that all income comes from earnings, and a weighted average for shelter costs using Fair Market Rents as published by the US Department of Housing and Urban Development.

These reforms have varying effects on SNAP expenditures—lowering benefits in most situations but also reducing the share of benefits lost as income increases. The net effect would be to reduce effective marginal tax rates associated with SNAP to 18 percent—the share of increased income lost to SNAP benefit reductions—while decreasing total SNAP benefit costs by approximately 27 percent.

For most recipients—especially those at lower income levels—this set of reforms would reduce benefit levels from current policy (although not necessarily from pre-2021 benefit levels). However, the lower BRR means households would retain a higher share of benefits as their income increased than under current policy, decreasing the program’s work disincentive. The proposal would also allow benefits to completely phase out to zero at a higher income level than current policy, meaning that a household with income above the

current income limit of 130 percent of the federal poverty level (FPL) would remain eligible for some SNAP benefits until they completely phase out to zero. In contrast, current policy results in an abrupt drop in benefits once household gross income reaches 130 percent of the FPL or net income reaches 100 percent of the FPL.

Figure 2 illustrates the benefit amounts at different income levels for a household size of three without household members who are age 60 or older or have a disability under the revised benefit structure compared with current policy. Current policy treats households with elderly or disabled individuals differently, while we propose applying consistent eligibility rules no matter the household composition. The “Current Policy” line in Figure 2 shows the benefit structure for this typical household with two potential exit points depending on whether the state applies BBCE to expand the gross income limit. In the 35 states

plus Washington, DC, that use BBCE to expand gross income eligibility to 200 percent of the FPL,¹⁷ the exit point is where net income equals 100 percent of the FPL, or approximately \$45,340 for this typical household. In the remaining states, the exit point is where gross income equals 130 percent of the FPL, or approximately \$33,576 for this typical household.

Note that under current policy, the benefit cliff is more severe in states that do not use BBCE to expand income eligibility. Furthermore, any attempt to eliminate or constrain the use of BBCE without adjusting SNAP's benefit structure would result in a more severe benefit cliff under current policy. For this reason, it is important to consider reforms to BBCE and changes to the benefit structure together. Our policy eliminates the need to use BBCE to expand income eligibility because we propose that the new benefit structure phase out to zero, corresponding to 200 percent of the FPL for most households, applied consistently to all households regardless of the age or disability composition, with an exit income at approximately \$51,000 for this typical household of three.

The difference between the lines in Figure 2 represents the reduction in benefits at each income point resulting from the proposal. For example, a three-member household under our assumptions with \$20,000 in countable gross income would receive \$7,800 in annual SNAP benefits under current policy, compared with \$6,800 in annual SNAP benefits under the proposal, a 12.8 percent reduction. However, assuming this hypothetical household resided in a state that used BBCE, it would exit SNAP under current policy when its income reached \$45,340, experiencing an abrupt drop in annual SNAP benefits of \$1,468. Under our proposal, the same household would exit SNAP when household income reached \$51,000, and it would experience no benefit cliff. Our proposal would have a larger effect on this hypothetical household in a non-BBCE state. In that scenario, under current policy the household would exit SNAP when income reached \$33,576, and the benefit cliff would be \$4,455. Our proposal would eliminate that benefit cliff.

Undeniably, households near the bottom of the income distribution would experience the largest reduction in benefits because of the elimination of income deductions. However, the proposed benefit structure would also allow these households to keep a

larger share of their income as earnings increased and maintain a modest benefit at higher income levels than under current policy. This reduces the disincentive to increase household income, especially for those beyond the initial tapering point, consistent with the proposal's intent to facilitate more earnings from work by reducing work penalties.

Cost Implications and Historical Context

To estimate this proposal's potential scoring implications, we used US Census Bureau Current Population Survey (CPS) data on household income and composition. We tabulated the number of households by size and income bracket and calculated the average SNAP benefits under current policy and under the proposal outlined above and displayed in Figure 2. Because our approach approximates what the statistical average household might receive under current policy versus the proposal, these estimates provide a crude approximation of the proposal's effect on SNAP spending compared with current policy.

Further, our approach offers a static estimate of cost assuming no behavior changes associated with the proposed policy. With this in mind, our estimates likely understate the true savings given that the policy's intent to lessen work disincentives should increase employment and income among SNAP-eligible households, reducing the need for SNAP over the long term.

Our estimates are crude given several factors, and therefore, they should be interpreted with caution. For example, CPS data are unreliable when estimating household income, SNAP households do not always match Census Bureau household definitions, and SNAP benefit allotments vary widely due to the variability of income deductions. Further, our approach lacks granularity by not allowing us to refine the calculations by state and household type (i.e., whether the household has a member who has a disability or is age 60 or older). Nor do the calculations estimate the various types of SNAP countable income that households might receive. Nonetheless, our estimates offer a helpful comparison of SNAP expenditures under current policy and under the proposal considering the distribution of households by income level in the CPS.

Table 1 shows the average annual SNAP benefits for each household size under current policy and the

Table 1. Average Annual SNAP Benefit Costs in Different Scenarios

| Current Policy | Household Size 1 | Household Size 2 | Household Size 3 | Household Size 4 | Household Size 5 | Total |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------|
| Total Benefit Costs | \$30.57 Billion | \$28.88 Billion | \$19.31 Billion | \$18.64 Billion | \$13.42 Billion | \$110.83 Billion |
| <i>For the 35 States and Washington, DC, Using BBCE</i> | | | | | | |
| Exit Income (Annual) | \$27,301 | \$36,110 | \$45,340 | \$50,015 | \$55,060 | |
| Benefit Cliff (Annual) | \$276 | \$297 | \$1,468 | \$2,339 | \$2,919 | |
| <i>For the 15 States Not Using BBCE</i> | | | | | | |
| Exit Income (Annual) | \$19,584 | \$26,580 | \$33,576 | \$40,560 | \$47,556 | |
| Benefit Cliff (Annual) | \$2,101 | \$3,350 | \$4,455 | \$5,310 | \$5,620 | |
| 18% BRR Proposal | | | | | | |
| Total Benefit Costs | \$14.84 Billion | \$19.21 Billion | \$14.89 Billion | \$17.27 Billion | \$13.66 Billion | \$79.87 Billion |
| Exit Income (Annual) | \$19,467 | \$35,733 | \$51,200 | \$65,000 | \$77,200 | |
| Benefit Cliff (Annual) | \$0 | \$0 | \$0 | \$468 | \$727 | |
| Cost/(Savings) of the Proposal vs. Current Policy | (-\$15.73 Billion) | (-\$9.67 Billion) | (-\$4.41 Billion) | (-\$1.37 Billion) | (\$0.23 Billion) | (-\$30.96 Billion) |
| Percentage Cost/(Savings) of the Proposal vs. Current Policy | -51.5% | -33.5% | -22.9% | -7.4% | 1.8% | -27.9% |

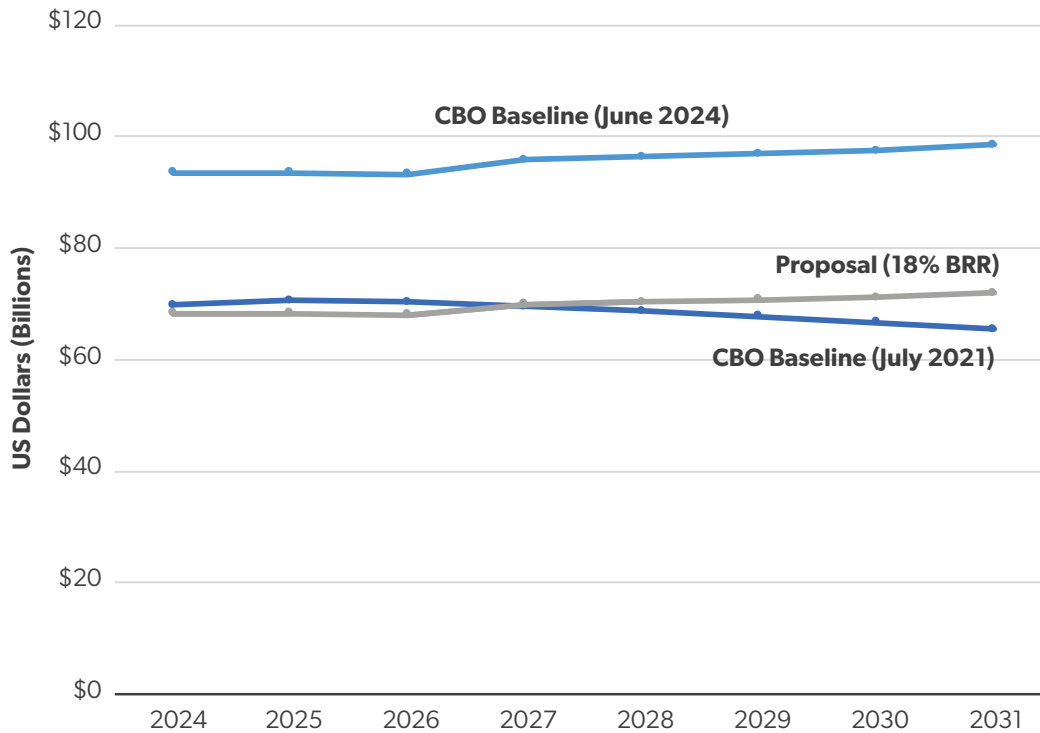
Source: Authors' calculations using 2024 CPS Annual Social and Economic Supplement data on income and household size, applying current SNAP benefit policy versus the proposed benefit policy.

Note: For household sizes 4 and 5, the benefits upon exit under the proposal are \$468 and \$727 because of the 200 percent FPL eligibility cap, which are 0.8 percent and 1.0 percent of income, respectively. While SNAP benefits do not phase out to zero for these larger households under the proposal, the remaining cliffs are smaller than under current policy and can be more easily overcome with a common pay raise of 2 to 3 percent than under current policy. The benefits for these household sizes could phase out to zero under policy alternatives, such as extending eligibility above 200 percent of the FPL, increasing the BRR for these household sizes that extend over the 200 percent limit, or reducing the maximum benefit for these households.

proposal. Using an 18 percent BRR, we estimate an overall reduction of 27 percent of SNAP benefit costs. Under current policy, especially in states not using BBCE, the benefit cliff is severe. For comparison, our proposal completely eliminates benefit cliffs for households with one, two, and three members and has modest benefit cliffs for households with four or more. Notably, our proposed policy increases the income eligibility limit from 130 percent of the FPL to 200 percent of the FPL, though those with relatively high incomes have only modest benefits.

It is important to put the resulting SNAP benefit costs in historical context. As recently as 2021, the Congressional Budget Office (CBO) projected SNAP expenditures well below current expenditure levels. Even with the reforms described above, SNAP expenditures under the proposal would be consistent with CBO baseline projections from 2021, which rely on projected economic conditions, demographic factors, and historical caseload growth. However, following the FNS's reevaluated Thrifty Food Plan in October 2021, actual SNAP expenditures increased dramatically, requiring CBO to

Figure 3. Total Projected SNAP Benefits Under Different Assumptions



Source: Congressional Budget Office, “Baseline Projections: Supplemental Nutrition Assistance Program,” June 2024, <https://www.cbo.gov/system/files/2024-06/51312-2024-06-snap.pdf>; Congressional Budget Office, “Baseline Projections: Supplemental Nutrition Assistance Program,” July 2021, <https://www.cbo.gov/system/files/2021-07/51312-2021-07-snap.pdf>; and authors’ calculations.
Note: The proposal line reflects an average 27 percent reduction to the CBO baseline (June 2024) projections. The CBO baselines reflect CBO’s projections of economic conditions (and other things) in those years, including inflation. However, CBO adjusts its assumptions over time, and therefore, the assumptions differ for the July 2021 and June 2024 baseline, which may partly explain the differences in baseline expenditures.

adjust its baseline upward to incorporate the large benefit increases.¹⁸ Our proposal would reverse some of those large increases from 2021 but leave total SNAP benefit costs at levels consistent with CBO baselines from before the change (Figure 3).

Conclusion

Employment is crucial to helping families escape poverty and move up the income ladder. However, SNAP’s benefit structure creates barriers for participants wanting to improve their financial circumstances through employment. Abrupt drops in benefits, called benefit cliffs, discourage participants from working more or accepting pay raises. SNAP participants can face severe benefit cliffs, which have only become worse in recent

years due to changes stemming from the Thrifty Food Plan reevaluation. Long viewed as an effective income support program, SNAP has been moved in the wrong direction by recent changes. Historic current and projected federal deficits and immediate demand for benefit savings as part of reconciliation legislation in the new Congress present an opportunity to improve SNAP’s effectiveness and responsibly address fiscal concerns.

We propose that Congress reform the SNAP benefit structure to eliminate benefit cliffs while reducing overall program costs. This restructuring would lessen work disincentives, including a consistent, predictable phase-out as households reach modest income levels associated with employment. Our calculations suggest that eliminating SNAP’s benefit cliff as we propose would reduce SNAP’s work disincentives, while generating

overall benefit savings of approximately 27 percent, or \$30 billion per year. Even with these program savings, annual SNAP expenditures would remain consistent

with CBO baseline projections for SNAP as recently as 2021. Actual savings are likely to increase over time as SNAP participants work more and at higher pay.

About the Authors

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Notes

1. SNAP has two income limits: a net income limit and a gross income limit. All households are subject to a net income limit equal to 100 percent of the FPL (i.e., gross income minus allowable deductions), but only households without people age 60 or older and without persons with disabilities are subject to the gross income limit. Although the gross income limit is fixed at 130 percent of the FPL in statute, 26 states have been using BBCE to extend the limit up to 200 percent of the FPL for families receiving benefits from or simply being notified of the availability of benefits from the Temporary Assistance for Needy Families program. Households remain subject to the net income test, but some states using BBCE may not be applying the statutory net income limit. All states use net income to calculate benefit levels.

2. See US Government Accountability Office, “A Warning About the Nation’s Fiscal Health,” February 16, 2024, <https://www.gao.gov/blog/warning-about-nations-fiscal-health>; and University of Pennsylvania, Penn Wharton Budget Model, “When Does Federal Debt Reach Unsustainable Levels?,” October 6, 2023, <https://budgetmodel.wharton.upenn.edu/issues/2023/10/6/when-does-federal-debt-reach-unsustainable-levels>.

3. Angela Rachidi, *A 20-Year Look at SNAP Participation and Costs*, American Enterprise Institute, October 7, 2021, <https://www.aei.org/research-products/report/a-20-year-look-at-snap-participation-and-costs/>.

4. US Department of Agriculture, Economic Research Service, “Key Statistics & Graphics,” September 4, 2024, <https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-us/key-statistics-graphics/>; and Angela Rachidi, “Does More Federal Assistance Lead to Less Food Insecurity?,” *AEIdeas*, September 13, 2022, <https://www.aei.org/opportunity-social-mobility/does-more-federal-assistance-lead-to-less-food-insecurity>.

5. Angela Rachidi and Thomas O’Rourke, *Economic Characteristics of the Food Insecure*, American Enterprise Institute, March 26, 2024, <https://www.aei.org/research-products/report/economic-characteristics-of-the-food-insecure/>.

6. Angela Rachidi and Thomas O’Rourke, *Promoting Mobility Through SNAP: Toward Better Health and Employment Outcomes*, American Enterprise Institute, April 16, 2024, <https://www.aei.org/research-products/report/promoting-mobility-through-snap-toward-better-health-and-employment-outcomes/>.

7. Rachidi and O’Rourke, *Promoting Mobility Through SNAP*.

8. Hilary Williamson Hoynes and Diane Whitmore Schanzenbach, “Work Incentives and the Food Stamp Program,” *Journal of Public Economics* 96, nos. 1–2 (2012): 151–62, <https://www.sciencedirect.com/journal/journal-of-public-economics/vol/96/issue/1>.

9. See Erik Randolph, “Solving the Food Assistance (SNAP) Benefits Cliffs” (working paper, Georgia Center for Opportunity, October 4, 2023), <https://foropportunity.org/solving-the-snap-benefits-cliff/>.

10. US Government Accountability Office, *Thrifty Food Plan: Better Planning and Accountability Could Help Ensure Quality of Future Reevaluations*, December 14, 2022, <https://www.gao.gov/products/gao-23-105450>.

11. Randolph, “Solving the Food Assistance (SNAP) Benefits Cliffs.”

12. Ariella Spitzer et al., *Understanding Economic Risk for Low-Income Families: Economic Security, Program Benefits, and Decisions About Work*, Mathematica, <https://aspe.hhs.gov/sites/default/files/documents/5fdf4788ea74f64930c7b201e6523079/Economic-Risk-Report.pdf>.

13. Spitzer et al., *Understanding Economic Risk for Low-Income Families*.

14. US Department of Agriculture, Food and Nutrition Service, *Thrifty Food Plan, 2021*, August 2021, <https://www.fns.usda.gov/cnpp/thrifty-food-plan-2021>.

15. Megan Sweitzer and Victoria Davidenko, “Food Spending as a Share of Income Declines as Income Rises,” US Department of Agriculture, Economic Research Service, November 1, 2024, <https://www.ers.usda.gov/data-products/chart-gallery/chart-detail/?chartId=58372>.

16. Currently the asset limit is \$3,000, but states can eliminate it by using BBCE. Because our proposed benefit will phase out completely at 200 percent of the FPL for most households, states will have no incentive to exploit the Temporary Assistance for Needy Families program to confer BBCE in an effort to increase the income limit to 200 percent of the FPL. Therefore, we also propose to eliminate the incentive to use BBCE to increase the asset limit.

17. US Department of Agriculture, Food and Nutrition Service, “Broad-Based Categorical Eligibility (BBCE),” October 1, 2024, <https://www.fns.usda.gov/snap/broad-based-categorical-eligibility>.

18. US Government Accountability Office, *Thrifty Food Plan*.

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