The Colorado Health Foundation™

September 4, 2026

Honorable Shiela Corley
Acting Administrator of the Food and Nutrition Administration
Food and Nutrition Administration, U.S. Department of Agriculture
1320 Braddock Place
Alexandria, VA 22314

Submitted electronically via [Regulations.gov]

RE: Public comment on the proposed rule, Supplemental Nutrition Assistance Program; Changes in Federal-State Administrative Cost Sharing

Dear Acting Administrator Corley,

Thank you for the opportunity to provide comments on the proposed rule: *Supplemental Nutrition Assistance Program; Changes in Federal-State Administrative Cost Sharing*. The Colorado Health Foundation ("CHF" or "the Foundation") is a statewide, nonprofit and nonpartisan philanthropic organization with a mission to improve the health and wellbeing of Coloradans. Through community engagement, research, grantmaking, and private sector investments, the Foundation aims to ensure that everyone in Colorado has what they need to be healthy.

The Foundation writes to express our deep concern about the impact of the proposed rule to increase the state share of Supplemental Nutrition Assistance Program (SNAP) administrative costs from 50 percent to 75 percent on Colorado and SNAP recipients. We understand that the proposed rule implements Section 10106 of the One Big Beautiful Bill Act (H.R. 1) and does not make any changes beyond what was explicitly directed in the law. However, we urge FNA to do everything in its authority to minimize negative impacts of the rule on states' ability to fund and operate their SNAP programs. The Foundation is deeply concerned that the proposed rule will increase the cost and complexity of SNAP administration for Colorado and other states, potentially leading to benefit or eligibility cuts, negatively impacting the state budget and ultimately harming Coloradans.

SNAP is a vital safety net program, ensuring that children, older adults, people with disabilities, veterans, and working families participating in the program have consistent and dependable access to healthy food. According to the Foundation's [2026 Pulse Poll], food insecurity in Colorado remains elevated with nearly one in five Coloradans reporting they have skipped meals because they cannot afford food. More than 50 percent of Coloradans living on low income reported skipping meals in the past year. [Caseload data] from the Colorado Department of Human Services indicates that more than 580,000 Coloradans have relied on SNAP in 2026. Nearly half of these participants are children.

1780 Pennsylvania Street, Denver, CO 80203

P 303-953-3600 **F** 303-322-4576

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In Colorado, the reduction in federal administrative funding is expected to shift $50 million per year to the state. This cost shift will further strain Colorado's state budget and make administering and managing the program more difficult. This likely will result in staffing reductions, delays in assisting SNAP clients and vendors, and reductions in vital services. Colorado is already facing a significant budget deficit and had to convene a special legislative session in August 2025 to close a $750 million budget shortage caused by H.R. 1. The requirement for states to balance their budgets each fiscal cycle means that unexpected cost increases must be offset with increased revenue or spending cuts, such as the programmatic cuts Colorado has had to make in recent years. Colorado is uniquely limited in its ability to address budgetary changes due to the Taxpayer's Bill of Rights (TABOR), which restricts government revenue and requires voters to approve all tax increases. If Colorado is unable to afford this substantial increase in administrative costs amid the myriad of competing budget priorities, the state may have no choice but to restrict SNAP access or benefits, further exacerbating food insecurity in our state.

The proposed rule will place added strain on the ten states, including Colorado, where counties administer SNAP benefits. County-administered programs have higher administrative costs by about $11.64 per case per month because they are decentralized. These county-administered programs are even more vulnerable to funding cuts. In Colorado, counties typically receive about 75 percent of the federal share of administrative funding. The state-county partnership allows for more flexibility to address the needs of specific communities. However, the proposed percent decrease in the federal share of administrative expenses passes that financial pressure not just to Colorado as a state, but to our individual counties. Because staffing and resources vary widely by county, this added strain will likely fall hardest on rural and lower-income counties, which also experience higher rates of food insecurity.

The administrative cost shift to states, along with the added administrative burden and likely staffing cuts, could increase Colorado's payment error rate. A higher error rate would increase the amount of SNAP benefits Colorado must fund beginning in fiscal year 2028. This risk is especially concerning as H.R. 1 also changed eligibility and work requirements, creating a more complicated administrative environment and increasing the need to help clients understand the new rules. Colorado is already working quickly to prepare for these additional costs and lower its error rate. Even without an increase in the error rate, the combined impact of H.R. 1's provisions is anticipated to cost the state about $170-$190 million annually. Given how high administrative costs may become due to the new law, some states may be forced to consider severely limiting or even eliminating their SNAP programs, which would have dire consequences for individuals, families, and communities across the country.

Since H.R. 1 was signed into law, more than 27,000 Coloradans have lost SNAP benefits due to the expanded work requirements, changes to eligibility, and increased administrative barriers. Additional pressure on the state budget and Colorado's counties that administer SNAP will only make it more difficult for clients, SNAP vendors, and administrative staff at the state and local levels to navigate these

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substantive changes. Colorado's health and well-being depend on a SNAP program that is efficient and effective, and a state budget that can be flexible and responsive to the needs of the people. We urge FNA to work with states to streamline administration of the program and protect state fiscal stability, especially as states and FNA prepare to implement the benefit cost sharing provision of H.R. 1.

The Foundation appreciates your consideration of our comments. If you have any questions, please contact Kyle Rojas Legleiter, Colorado Health Foundation Senior Director of Policy, at klegleiter@coloradohealth.org or 303-953-3618.

Sincerely,

Kyle Legleiter

Kyle Rojas Legleiter
Senior Director of Policy
Colorado Health Foundation

1780 Pennsylvania Street, Denver, CO 80203

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