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GOVERNOR KATHY HOCHUL

GOVERNOR HOCHUL CONVENES CABINET MEETING ON DEVASTATING IMPACTS OF REPUBLICANS' 'BIG UGLY BILL' ON NEW YORK STATE

Governor Directs State Agencies To Prepare Strategies for Limiting Long-Term Damage to Vital Programs Facing Federal Cuts

Republican Cuts Threaten To Rip Away Health Care Coverage for More Than 1.5 Million New Yorkers and Jeopardize SNAP Benefits for Nearly 3 Million New Yorkers

All New York's GOP Congressional Representatives Voted for These Cuts

In the face of detrimental federal funding cuts, Governor Kathy Hochul today convened a cabinet meeting to discuss the impacts of President Trump's "Big Ugly Bill" on New York State. The cuts imposed by Washington Republicans include an anticipated \$13 billion being cut from New York's health care system, 1.5 million New Yorkers being stripped of health insurance coverage, and more than 300,000 households projected to lose some or all of their SNAP benefits. In addition to assessing these and other impacts, Governor Hochul has directed State agencies to prepare comprehensive strategies to help limit the long-term damage to vital programs facing federal cuts.

"While Republicans in Washington callously slash funding for vital programs across the country, my administration is standing up for New Yorkers to soften the blow of these cuts amidst an affordability crisis," **Governor Hochul said.** "President Trump's devastating 'Big Ugly Bill' will inflict harm across the state, leaving detrimental gaps in funding and families without the crucial benefits and coverage that they need. New York State remains laser-focused on ensuring New Yorkers have access to resources and support necessary to uplift them and their families."

Essential Plan/Medicaid Cuts

Republicans' cuts to health care and other benefits will hurt all New Yorkers. The changes will eliminate insurance coverage for millions of New Yorkers, destabilize health insurance programs statewide, and have an overall fiscal impact on the State and the New York health care system of almost \$13 billion per year. These changes will make it harder for providers statewide to keep operating and make it more difficult for all New Yorkers to find care when they need it.

- More than 2 million New Yorkers could lose their current insurance coverage, including approximately 730,000 lawfully-present non-citizens who could lose Essential Plan (EP) coverage

as more than half of EP's budget — \$7.5 billion in federal funding — is eliminated, and a further 1.3 million New Yorkers who will lose Medicaid coverage due to new eligibility and verification hurdles.

- Of these 2 million people, 1.5 million New Yorkers are anticipated to become uninsured, with uncompensated care costs to hospitals and providers estimated to rise to more than \$3 billion annually — which means less access to care and higher medical bills for New Yorkers.
- [Analysis from the Greater New York Hospital Association \(GNYHA\) and the Healthcare Association of New York State \(HANYs\)](#) estimates a total \$8 billion in annual cuts to New York's hospitals and health systems, which could force hospitals to curtail critically needed services such as maternity care and psychiatric treatment, not to mention to downsize operations, and even close entirely. These consequences will not only affect Medicaid enrollees, but also harm everyone who requires hospital care, leading to longer wait times and less access to critical services.

SNAP and Nutrition Assistance

Since the inception of SNAP, the federal government has funded these benefits 100 percent, receiving bipartisan support from presidents of both parties and in Congress. For the first time in the history of SNAP, the Republicans' enacted law requires states to contribute to the cost of benefits, or [risk having to end their SNAP programs entirely](#) — jeopardizing a program that nearly three million New Yorkers rely on to put food on the table. In total, as a result, New York and local governments are facing up to \$1.4 billion in new costs annually:

- New York State will be required to fund 15 percent of all SNAP benefits starting as early as October 1, 2027, at an estimated cost to the State of \$1.2 billion per year.
- The law further cuts the federal share of SNAP administrative costs from 50 percent to 25 percent which will increase costs for the State by roughly \$36 million annually, and increase costs for counties and New York City by roughly \$168 million annually. Counties will have to begin incorporating this fiscal hit into their 2026 budgets due this fall.

New York State is also facing more than \$900 million in lost SNAP benefits for New Yorkers, due to new, more punitive program requirements that will make it harder for people to qualify for the assistance they need:

- The law intentionally imposes unnecessarily administratively complex work requirements on SNAP recipients, which is projected to result in more than 300,000 households losing some or all of their SNAP benefits, devastating low-income households' grocery budgets. With an average loss of \$220 per household per month, New Yorkers are projected to lose more than \$800 million of SNAP benefits due to these changes.
- The law further restricts eligibility for legally present noncitizens who have previously been eligible for SNAP, now excluding anyone that does not have legal permanent resident status,

Cuban/Haitian status, or Compact of Free Association status. As a result, 41,000 noncitizens in New York State, including individuals granted refugee or asylee status by the federal government, are expected to lose the food assistance they rely on to feed themselves and their families, totaling roughly \$108 million in lost SNAP benefits for New Yorkers.

The law also cuts funds for the SNAP-Ed New York Program, which promotes healthy eating and efficient use of already modest SNAP benefits by teaching SNAP beneficiaries how to shop for and cook wholesome, healthy meals on a limited budget:

- As a result, New York will lose \$29 million annually that funded this work by 18 community-based organizations throughout the entire State including Cornell Cooperative Extensions in Albany, Allegany, Erie, Wayne, Oneida, Onondaga, Orange, St. Lawrence, Steuben and Suffolk counties.

Beyond worsening food insecurity and malnutrition, cuts to the program will hurt local businesses and weaken SNAP's ability to boost local economies in every state. The U.S. Department of Agriculture's (USDA) own research has shown that SNAP benefits have a multiplier effect, with every \$1 spent on SNAP generating \$1.54 in economic activity as recipients spend their benefits at local businesses in their communities. For New York, where a total of approximately \$7.4 billion in SNAP benefits are issued every year, that means \$11.5 billion in economic activity is generated annually across urban, suburban and rural areas alike. Slashing families' grocery budgets will reduce revenue for thousands of businesses, with ripple effects throughout the food supply chain. If states are forced to end their SNAP programs, in addition to increasing hunger and poverty, grocery stores in rural areas will struggle to stay open, people in agriculture and the food industry will lose jobs, and State and local economies will suffer:

- Lost SNAP sales and matching dollars will have a critical impact on local economies and the more than 18,000 retailers that accept SNAP in New York State, including grocery stores, local shops and more than 400 SNAP-authorized local farmers' markets and farm stands that can be found in every county in New York selling New York agricultural products to the people in their local community.
- SNAP sales in the farming community have dramatically increased since 2019, providing New York consumers access to healthy, farm fresh foods and providing our farm communities additional economic development dollars.
- As the State matches SNAP dollars spent at farm markets through the Fresh2You FreshConnect program, the hit to farms of decreased SNAP funding is doubled.

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