

May 30, 2025



**By Electronic Mail**

Senator Ernie Otten  
Lead Co-Chair, Joint Committee  
on Appropriations  
500 East Capitol Ave  
Pierre, SD 57501

Representative Mike Derby  
Co-Chair, Joint Committee on  
Appropriations  
500 East Capitol Ave  
Pierre, SD 57501

CC: Members of the Joint Committee on Appropriations

**RE: Impact of Federal Cuts**

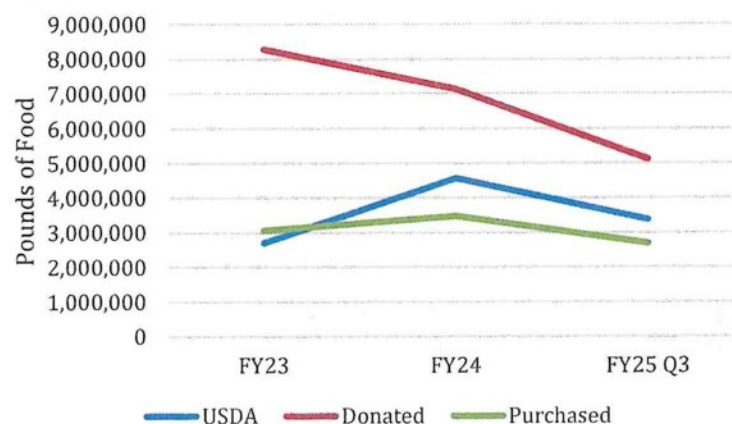
Dear Co-Chairs and Committee Members:

On behalf of the nearly 113,000 South Dakotans who are food insecure, including 1 in every 5 children, I am taking this opportunity to share with you the impacts Feeding South Dakota is experiencing due to federal cuts and how further decisions at a federal level could impact all South Dakotans.

Feeding South Dakota is a non-profit organization driven by our mission to end hunger in South Dakota. As the largest hunger-relief organization in the state we distribute food into all 66 counties including rural, metro, and reservation areas. The success of our work is dependent on receiving financial donations, donated food items, and food through federal USDA programs, which equate to an average of 31% of our overall inventory.

**In the past year, our organization has experienced a 15% decrease in donated food at a time when the need for food assistance increased by 16% through our Mobile Food Distribution alone.**

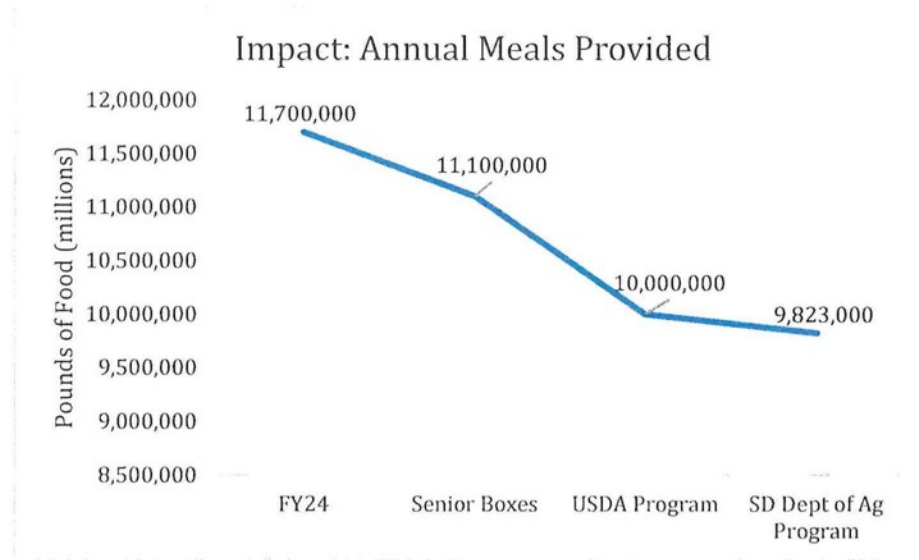
Feeding South Dakota: Recieved Food



Our 2025 Fiscal Year began with this strain on resources and the gap widened in March 2025 when federal decisions resulted in:

- **March 2025: 5,000 monthly meals for Seniors cancelled** leaving 200 **low-income seniors** without consistent access to a box of food – *every month*.
- **April: 2025: 148,000 meals permanently cancelled** when 177,000 pounds of food scheduled for delivery between April and August were **IMMEDIATELY cancelled**.
- **July 2025: 117,000 meals cancelled and 22 producers not receiving revenue** when federal funding to the Department of Ag & Natural Resources, which allowed us to purchase food directly from South Dakota producers, will be discontinued.
- **September 2025: 1.1 million meals permanently cancelled** when funding for a portion of the USDA Emergency Food Assistance Program does not continue.

Right now, as I am writing this letter to you, replacing the immediately cancelled food inventory comes at a cost of \$308,000. When our next fiscal year begins on July 1, we will need \$2.6 million to replace the USDA food inventory that is permanently cancelled. Without it, the number of meals we can provide will drop by over 1.8 million.



**These changes are very real, and our neighbors facing hunger are feeling the impact** as we've already had to put program changes into effect.

Senator Ernie Otten and Representative Mike Derby  
Members of the Joint Committee on Appropriations  
May 30, 2025  
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**I don't know that we'll be able to close the gap between resources and the number of seniors, veterans, families, and children seeking food assistance** through our programs and partners, which continues to rise month-over-month.

Even more concerning, is what is on the horizon that could increase our challenges:

- **Additional loss of USDA foods**, up to an additional **1.5 million pounds**.
- **Complete discontinuation of the Senior Box Program**, **impacting 2,300 South Dakota Seniors**.
- **Cost shift of SNAP benefit expenses to the state** (**a minimum of \$9 million**), could result in benefit cuts or tax increases which would bring more people to our food line.

We are a non-profit, but also a business, and at the end of the day my board and I will need to make difficult decisions. We cannot start this work "in the hole" in July, which means **we will need to begin planning on how we will cut programs and food distributions across the state**.

I welcome the opportunity to address the committee at your upcoming May 30 meeting to provide a more thorough update on these impacts on our state. It's important that you are fully aware of what's real – right now – for fighting hunger in our state and are prepared to assist us with messaging to your constituents when we are no longer in their communities.

Sincerely,



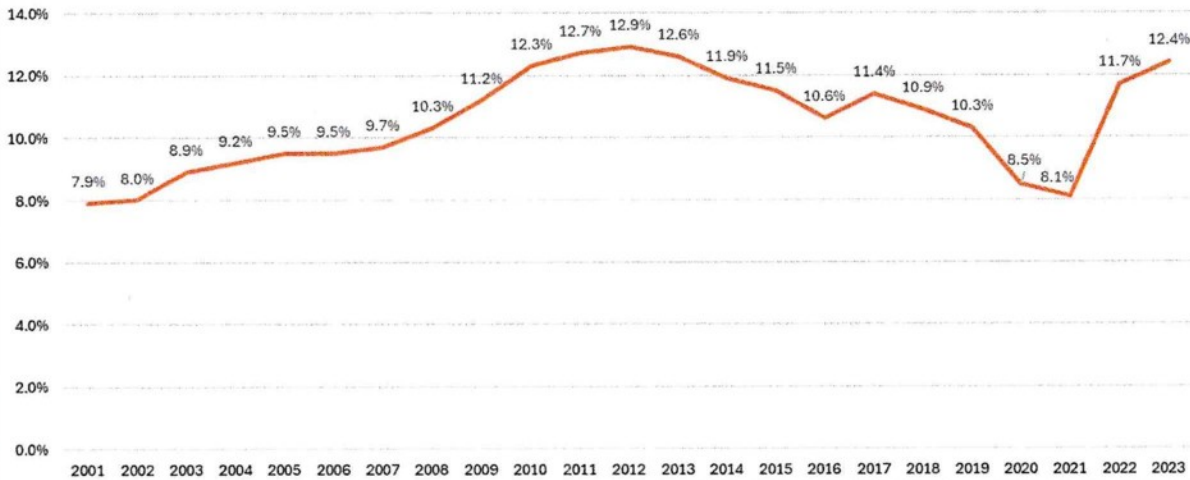
Lori Dykstra, CEO  
Feeding South Dakota

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# Feeding South Dakota Trends

South Dakota Food Insecurity Rate

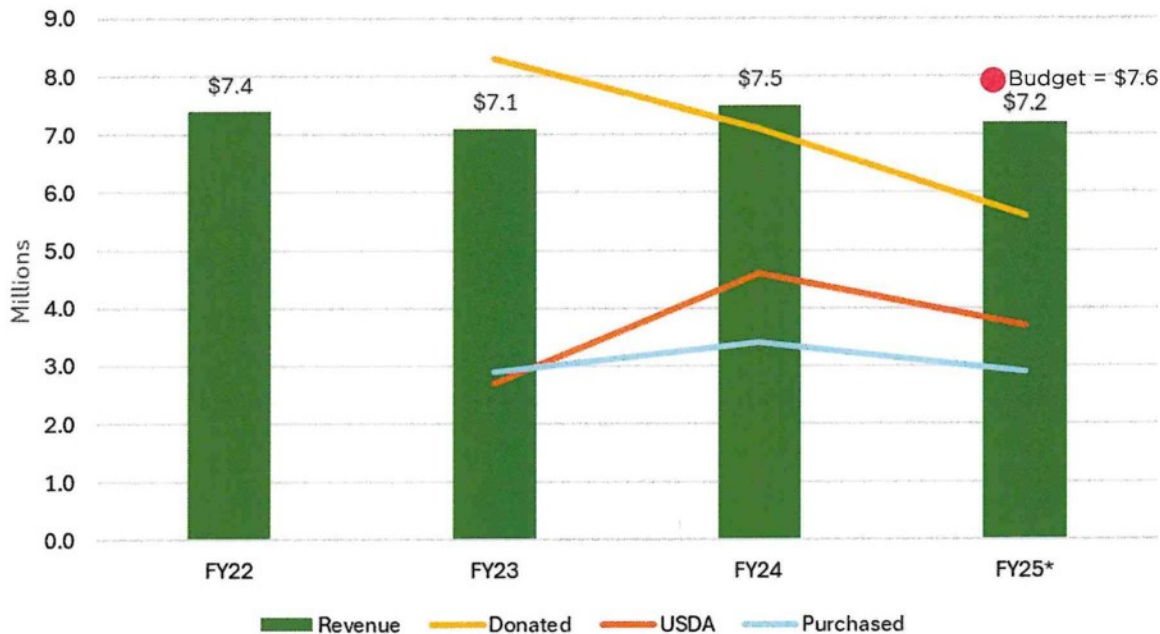


2022-2023

Food Insecurity Rate + 6%

Source: Feeding America's Map the Meal Gap Report

Revenue & Food Received



FY24-FY25

Donated -21%

USDA -20%

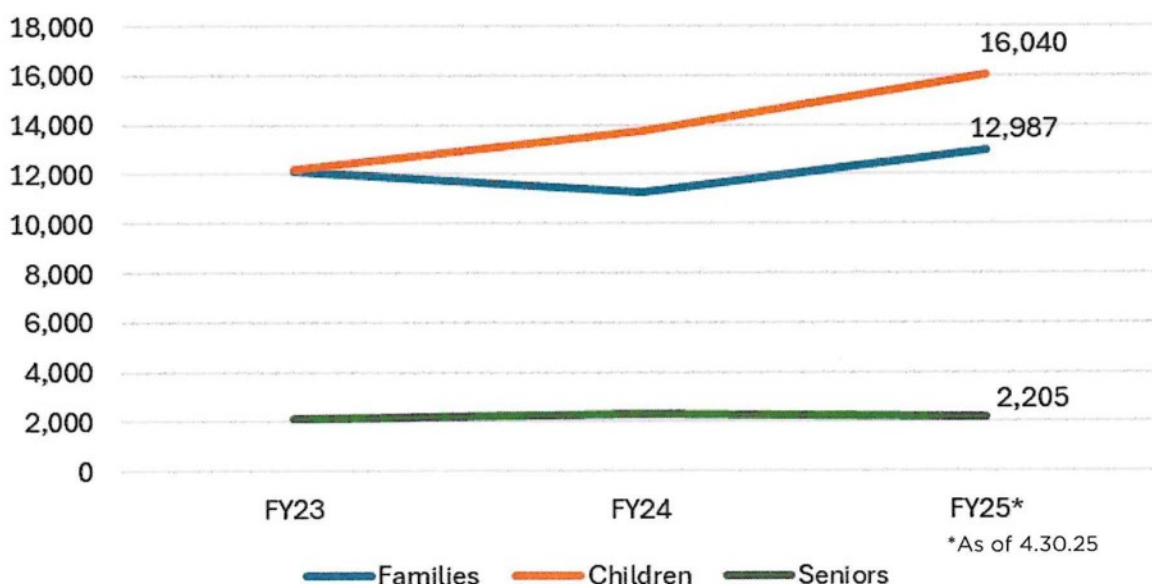
Purchased -14%

Revenue -4% Prior FY

-5% FY25 Budget

\*Revenue = Projected FY End Food = As of 4.30.25

Monthly Program Impact



FY24-FY25

Families + 15%

Children + 17%

Seniors -5%

Data is based only on the Backpack Program, the Mobil Distribution Program, and the Senior Box Program.

# SNAP Cost Shifting in South Dakota

The Supplemental Nutrition Assistance Program (SNAP) is one of the most powerful tools for fighting hunger in the United States. Currently, Congress is considering a proposal that would shift a significant portion of the cost of SNAP food benefits from the federal government to the states. This would end a 50-year commitment to helping every individual, in every community, have access to SNAP to help put enough food on the table.

Changing the way SNAP is funded would weaken the program and make it harder for children, seniors, veterans, persons with disabilities and families to get the support they need. It would push the program's costs onto financially strapped state governments – most of whom will be forced to make tough choices, including cuts to essential programs like public safety and local schools or raising state taxes.

## By the Numbers



75,100 people in South Dakota received SNAP benefits in federal Fiscal Year 2024. In 2022, the most recent year with SNAP household data, SNAP participants included 34,000 children and 9,000 seniors.



In FY2024, states issued nearly \$94 billion for SNAP food benefits, including \$180 million in South Dakota.



If states were required to cover 10% of SNAP benefits starting next year, South Dakota would have to pay \$18 million in state tax dollars, equal to 7 million meals.



No one wants to take access to affordable health care and food away from seniors, veterans and working families – but that will be the result of shifting federal costs to states. Most states cannot implement a rushed restructuring of program costs to take on a portion of current federal costs without reducing food benefits.



Food banks in South Dakota distributed an estimated 11.5 million meals in 2024.



# PROTECT SNAP to Reduce Hunger and Strengthen Local Economies in SOUTH DAKOTA

The Supplemental Nutrition Assistance Program (SNAP) is the nation's first line of defense against hunger, helping **75,739** people in **SOUTH DAKOTA** put food on the table. In fiscal year 2024, SNAP brought **\$180,195,817** to the state. With **9%** of **SOUTH DAKOTA** households experiencing food insecurity and high food prices, protecting and strengthening SNAP is more important than ever.

## SNAP'S IMPACT IN SOUTH DAKOTA



Veterans  
participating in SNAP



SNAP households  
with older adults



SNAP households  
with children



SNAP households  
with a person with a  
disability



## TAKE ACTION: REJECT PROPOSALS THAT CUT OR RESTRICT ACCESS TO SNAP BENEFITS.

Proposed cuts mean fewer federal funds supporting local economies, children losing school meals, and decreasing WIC participation for babies and toddlers ages 0–4. These cuts would increase hunger by taking food away from Americans in need, decrease local revenue, and overwhelm already strained food pantries. **For every meal a pantry provides, SNAP offers nine.**

## KEY ECONOMIC FACTS

- ▶ **SNAP supports working families.** Between 2019–2023, an average of **80%** of SNAP households in **SOUTH DAKOTA** included someone who was working.
- ▶ **SNAP stimulates the economy and creates jobs.** Each SNAP dollar has up to a \$1.80 impact during economic downturns, supporting the supply chain from farmer to store.
- ▶ **SNAP supports local businesses,** including **789** retailers in **SOUTH DAKOTA**, which redeemed a total of **\$156,183,024** in 2023. Retailers include grocery stores and farmers' markets, which contribute to local taxes that fund services like schools and health care.
- ▶ **8%** of households in **SOUTH DAKOTA** participated in SNAP. SNAP participants reside throughout the state: **one in 10** rural and **one in 14** small-town households and **one in 13** households in metro areas in **SOUTH DAKOTA**.
- ▶ In FY 2024, SNAP participants in **SOUTH DAKOTA** received an average of **\$200** per month in SNAP benefits. This averages **\$6.57** per person per day.
- ▶ SNAP helped over **32,917** children in **SOUTH DAKOTA** in FY 2023. It also provided these children with eligibility for school meals. Cuts to SNAP would mean that children in families with low incomes would lose access to school meals.

SOURCES FOR THIS FACT SHEET CAN BE FOUND IN THE [TECHNICAL NOTES](#).

## SNAP IS A PROVEN, COST-EFFECTIVE PROGRAM

that reduces food insecurity, supports the health of children, older adults, and veterans. SNAP reduces health care costs, improves educational outcomes, and supports local economies. Support SOUTH DAKOTA families by opposing any cuts to SNAP.

# STRENGTHEN SNAP, STRENGTHEN SOUTH DAKOTA