



VIRGINIA DEPARTMENT OF
SOCIAL SERVICES



**Proposed Federal Changes to Benefits Programs through the
One, Big, Beautiful Bill Act and President's Introduced Budget**
Senate Finance and Appropriations Committee

Key Points

Under the federal House proposal, the One Big, Beautiful Bill Act would:

- » **Require Virginia to match the federal SNAP benefit at 25%**
- » **Require an increase in state General Funds beginning federal fiscal year 2026 to meet the state required administrative cost sharing of 75%**
- » **Expand work requirements for able-bodied adults**
- » **Eliminate or decrease certain work requirement exceptions**

President's Introduced Budget

- » **Eliminate the Low-Income Home Energy-Assistance Program (LIHEAP)**

Introducing a Matching Funds Requirement

- » **Beginning October 1, 2027, state agencies would be required to pay at least 5% of SNAP benefit allotments to be adjusted based on SNAP Quality Control Payment Error Rates (PER):**
 - Below 6%: 5% state match
 - Between 6-7.99%: 15% state match
 - Between 8-9.99%: 20% state match
 - At 10% or above: 25% state match
- » **Virginia's most recent error rate data for 2023 was 9.86%**
- » **National error rate average is 11.68%**

Changing SNAP Eligibilities

- » SNAP eligibility would be limited to citizens and individuals lawfully admitted for permanent residence with no intention of abandoning their residence in a foreign country
- » SNAP eligibility would be removed for aliens who:
 - Entered the United States prior to 1948, have continuously maintained their residence in the United States since then, are eligible for citizenship, and are deemed lawfully admitted for permanent residence at the discretion of the Attorney General
 - Have qualified for conditional entry pursuant to 8 U.S.C. § 1157, 1158
 - Are lawfully present in the United States at the discretion of the Attorney General for emergent reasons or reasons deemed strictly in the public interest
 - Are within the United States through withheld deportation from the Attorney General
- » The SNAP-LIHEAP connection (known as Heat & Eat) would be limited to households with an elderly or disabled member only

Repealing the National Education and Obesity Prevention Grant Program

- » The Supplemental Nutrition Assistance Program Education (SNAP Ed) is a federally funded grant program within the USDA totaling \$7,428,500 in FY24
- » The elimination of the program would end Virginia's SNAP Ed program through Virginia Tech and eliminate one SNAP Ed Coordinator position with VDSS

Changing Work Requirements for Able Bodied Adults

- » Increases age range from 18-54 to 18-64 for Able Bodied Adults Without Dependents (ABAWDs)
- » Lowers the exception for those with dependent children from under 18 to under 7
- » Establishes a 2030 sunset date for ABAWD exceptions for the homeless, veterans, or youth under 24 who aged out of foster care
- » Removes the ability to apply for ABAWD waivers due to a lack of sufficient jobs, limits their life span to not exceed 12-months, and limits their availability to only serve counties or county-equivalents with an unemployment rate of about 10%

Changing the General Work Requirement Age and Expanding the National Accuracy Clearinghouse

- » Increases the general work requirement to ages 18-64 from 16-59 in alignment with the proposed ABAWD changes
- » Creates a new exception for those who have a dependent child over 7 and reside with an individual who is in compliance with the general SNAP work requirement
- » Expands the National Accuracy Clearinghouse authority to prevent multiple issuances of other assistance program benefits through the integrated eligibility system (VACMS)

Eliminating LIHEAP – President’s Budget

- Eliminates the Low-Income Home Energy Assistance Program (LIHEAP) in its entirety.
 - LIHEAP provides families with temporary assistance for heating and cooling, energy crises, weatherization, and minor energy-related home repairs
 - In SFY24, 117,293 households received fuel assistance, 14,312 received crisis assistance, and 84,757 received cooling assistance
- Total admin costs for LIHEAP through state administration, local administration and indirect costs in SFY24: \$28,863,394
- Total LIHEAP benefit expenditures for SFY24: \$114,332,896
- Total LIHEAP weatherization reimbursement expenditures for SFY24: \$16,002,197

Overview

Under the federal House proposal, the One Big, Beautiful Bill Act would:

- » **Require Virginia's participation in an updated cost sharing and match agreement with the federal government to administer SNAP benefits**
- » **Expand work requirements for able-bodied adults and eliminate or decrease certain work requirement exceptions**

President's Budget would:

- » **Eliminate the Low-Income Home Energy-Assistance Program (LIHEAP) and SNAP Education (Ed) Program**

VDSS continues to monitor the status of this bill

Senate Agriculture Committee Proposal – Overview of Key Provisions

Recently released modifications by the Senate Agriculture Committee to the One Big, Beautiful Bill Act would:

- Cap state's cost-share requirement at 15% and exempt states with error rates below 6%
- Require an increase in state General Funds beginning federal fiscal year 2027 to meet the state required administrative cost sharing of 75%
- Adjust the work requirement exception for those with dependent children from under 7 to under 10

VDSS continues to monitor the status of this bill



James Williams, Commissioner
James.williams@dss.virginia.gov

Carl E. Ayers, Deputy Commissioner of Human Services
Carl.ayers1@dss.virginia.gov



Appendix

Administrative Cost Impacts – House H.R. 1 Proposal Estimates

- » The administrative cost sharing to run the SNAP program will be reduced from 50% NGF/50% GF to 25% NGF/75% GF.
- » Effective October 1, 2025

FY24 Total SNAP Expenditures						Estimate of FPR of 25% from 50%
	Federal	General	Local	Other	Total	Additional General Funds Needed
State Administration	\$ 4,635,878	\$ 4,334,724	\$ -	\$ 264,068	\$ 9,234,670	\$ 2,317,939
Indirect Costs (cost allocation)	\$ 23,114,131	\$ 23,006,551	\$ -	\$ 7,080	\$ 46,127,762	\$ 11,557,065
Local Administration	\$ 146,802,395	\$ 58,470,245	\$ 85,445,376	\$ 8,944,332	\$ 299,662,348	\$ 73,401,198
Total 50/50 Admin	\$ 174,552,404	\$ 85,811,520	\$ 85,445,376	\$ 9,215,481	\$ 355,024,781	\$ 87,276,202

Error Rate Impact – House H.R. 1 Proposal Estimates

<u>SNAP Payment Error Rate:</u>			
2023 (last official number)	9.86%		
2024 will be received in June 2025			
	<u>Proposed SNAP Benefit Match</u>		
	<u>Error Rate</u>	<u>State Match</u>	<u>Using FY24 Figure</u>
	<6%	5%	\$ 89,837,717
	6-7.99%	15%	\$ 269,513,151
	8-9.99%	20%	\$ 359,350,868
	=or > 10%	25%	\$ 449,188,585

Fiscal Impacts to the Commonwealth – SNAP – House H.R. 1 Proposal Estimates

FY24 Total SNAP Expenditures					
	Federal	General	Local	Other	Total
State Administration	\$ 4,635,878	\$ 4,334,724	\$ -	\$ 264,068	\$ 9,234,670
Indirect Costs (cost allocation)	\$ 23,114,131	\$ 23,006,551	\$ -	\$ 7,080	\$ 46,127,762
Local Administration	\$ 146,802,395	\$ 58,470,245	\$ 85,445,376	\$ 8,944,332	\$ 299,662,348
Total 50/50 Admin	\$ 174,552,404	\$ 85,811,520	\$ 85,445,376	\$ 9,215,481	\$ 355,024,781
SNAP Education / Outreach Contracts	\$ 7,428,500	\$ -	\$ -	\$ 267,839	\$ 7,696,338
SNAP Education & Training (SNAPET)	\$ 5,036,445	\$ 121,717	\$ 89,298	\$ 4,669,282	\$ 9,916,743
Totals	\$ 12,464,945	\$ 121,717	\$ 89,298	\$ 4,937,121	\$ 17,613,081
					\$ -
Totals	\$ 187,017,349	\$ 85,933,237	\$ 85,534,674	\$ 14,152,602	\$ 372,637,862
SNAP Benefits	\$ 1,796,754,340	\$ -	\$ -	\$ -	\$ 1,796,754,340

Fiscal Impacts to the Commonwealth – LIHEAP – House H.R. 1 Proposal Estimates

FY24 Total LIHEAP Expenditures					
	Federal	General	Local	Other	Total
State Administration	\$ 689,351	\$ -	\$ -	\$ -	\$ 689,351
Indirect Costs (cost allocation)	\$ 3,970,111	\$ 2,016	\$ -	\$ 8,854	\$ 3,980,982
Local Administration	\$ 4,457,220	\$ 10,048,433	\$ 9,687,408		\$ 24,193,061
Total Admin	\$ 9,116,682	\$ 10,050,450	\$ 9,687,408	\$ 8,854	\$ 28,863,394
Heating (Fuel)	\$ 52,557,369	\$ -	\$ -	\$ -	\$ 52,557,369
Heating (Crisis)	\$ 9,999,074	\$ -	\$ -	\$ -	\$ 9,999,074
Cooling	\$ 51,765,601	\$ -	\$ -	\$ -	\$ 51,765,601
Deposit Waiver	\$ 10,684	\$ -	\$ -	\$ -	\$ 10,684
ARPAFunded Benefits	\$ -	\$ -	\$ -	\$ 168	\$ 168
Total Benefits	\$ 114,332,728	\$ -	\$ -	\$ 168	\$ 114,332,896
DHCD Weatherization Admin	\$ 1,130,628	\$ -	\$ -	\$ -	\$ 1,130,628
DHCD Weatherization Benefit	\$ 14,871,569	\$ -	\$ -	\$ -	\$ 14,871,569
Totals Weatherzation	\$ 16,002,197	\$ -	\$ -	\$ -	\$ 16,002,197
					\$ -
Totals	\$ 139,451,608	\$ 10,050,450	\$ 9,687,408	\$ 9,022	\$ 159,198,487