

‘One Big Beautiful Bill Act’ FAQ

Last Updated: Oct. 2, 2025

If you have questions, please reach out to your state agency that administers SNAP or Feeding America at policy@feedingamerica.org.

Background: On July 4, 2025, budget reconciliation legislation called the “One Big Beautiful Bill Act” (OBBB) was signed into law. This new law contains the biggest cuts to the Supplemental Nutrition Assistance Program (SNAP) and Medicaid in a generation. Estimates show the law cuts nearly \$200 billion from SNAP—realized through cost-shifting to states, eligibility restrictions, increased work requirements and limits on USDA’s ability to update benefit levels—and more than \$900 billion from Medicaid. Feeding America estimates the final budget reconciliation legislation could take nearly 6 billion meals off the table for SNAP participants every year. For more information, see [Feeding America’s analysis of OBBB](#).

Feeding America is committed to helping neighbors and the network navigate the implementation of this new law. This FAQ addresses questions about implementation, and it will be updated as more information becomes available. Importantly, USDA is expected to provide additional information on effective dates and the implementation of all SNAP provisions.

Read more: [USDA OBBB guidance page](#) (includes all policy memos related to the new law)

OBBB Implementation

Timeline and Next Steps

Question: When will states implement the OBBB changes?

Answer: States will implement OBBB changes based on guidance provided by USDA and other federal agencies. Once state agencies receive guidance, they will be required to start implementing changes as their state’s systems allow them to do so. We recommend that you stay in close contact with your state’s administering agency as partners in SNAP accuracy, potentially collaborating on solutions to help reduce your state’s SNAP payment error rate.

Question: What is the full extent of the possible impact of the bill and what does it mean for food banks?

Answer: All SNAP-related provisions of OBBB are likely to affect food banks, though the impact will vary depending on how each state implements the changes. Food banks may see increased demand in their service areas once new eligibility rules—such as expanded requirements related to documenting work and job training—take effect, as some people will no longer qualify for SNAP. These new requirements could start as early as this year. Some network members may also feel an earlier impact from the elimination of SNAP-Ed funding.

Beginning in federal fiscal year 2027 (which starts on Oct. 1, 2026), all states will face the SNAP administrative cost shift, which could reduce state funding available for network services, including partnerships with local farmers and growers.

Feeding America estimates that nearly 6 billion meals could be taken off the table for SNAP participants each year as a result of OBBB. (See the “Other Topics” section below for details on our estimate of meals lost.)

SNAP Provisions

SNAP Benefit Cost-Share with States

Question: What is the effective date for the SNAP benefit cost-share with states?

Answer: Currently, the federal government pays for all SNAP food benefit costs. This bill will require states to contribute up to 15% of the cost of SNAP food benefits beginning in federal fiscal year 2028 based on their payment error rates. Starting in federal fiscal year 2028 (Oct. 1, 2027), the first year of the matching funds requirement, each state can select either its FY25 or FY26 payment error rate to calculate the cost-shift requirement amount. In FY29 and each fiscal year after, the state match is calculated using the payment error rate from three fiscal years prior. That means that the FY29 cost shift requirement will be based on error rates from FY26 and so on. If a state is eligible for a temporary delay, implementation will begin in fiscal year 2029 (Oct. 1, 2028) or fiscal year 2030 (Oct. 1, 2029). In short, each state’s experience could vary each year based on changes in SNAP error rate data.

Example of FY24 SNAP Payment Error Thresholds		
SNAP Payment Error Rate Threshold	SNAP Benefit Cost-Share %	States, Based on FY24 Payment Error Rates (For example only; subject to change each year pending future error rates)
< 6%	0%	ID, NE, NV, SD, UT, VT, WI, WY
6% - 8%	5%	HI, IA, LA, NH, ND, WA

8% - 10%	10%	AL, AZ, AR, CO, IN, KS, KY, MI, MN, MO, MT, OH, SC, TN, TX, WV
> 10%	15%	AK, CA, CT, DE, DC, FL, GA, IL, ME, MD, MA, MS, NJ, NM, NY, NC, OK, OR, PA, RI, VA
> 13.34%	0% (Delayed Implementation FY28, FY29; then 15%)	AK, DC, FL, GA, MD, NJ, NM, NY, OR

Please note that the category each state is in may vary year by year, depending on that state's payment error rate.

Read more: [Feeding America's Analysis of Reconciliation Legislation "One Big, Beautiful Bill Act", H.R. 1](#)

SNAP Administrative Funds Cost-Share with States

Question: What is the effective date for the new SNAP administrative cost-share?

Answer: Starting in federal fiscal year 2027 (October 1, 2026), states must cover 75% of SNAP administrative costs, up from the previous 50%.

NEW Question: Will the new SNAP administrative cost-share impact SNAP outreach funding in my state?

Answer: This will depend on how your state administers SNAP outreach funding. SNAP outreach could be impacted in one of three ways:

1. If your state issues a request for proposals for community-based organizations to bid on, this could mean that your state may reconsider funding for outreach.
2. If your state currently reimburses community-based organizations (like your food bank or state association) with SNAP outreach contracts for 50% of their operating costs, your organization may need to cover 75% of total costs in the future, with the federal government covering the remaining 25% of costs.
3. If your state uses state funds (vs. privately-raised charitable funds) to cover the state's share of SNAP outreach costs, your state may either reduce the total amount of grant funding available for SNAP outreach or continue outreach services without any changes.

We continue to watch for USDA guidance on this provision. Until it is released, we recommend you stay in close contact with your state agency to understand how the new SNAP administrative cost-share may impact your SNAP outreach contract.

Expanded SNAP Employment Reporting Requirements

Question: What is the effective date for the expanded SNAP employment reporting requirements documentation changes?

Answer: This provision is effective upon enactment. We are awaiting implementation details, which USDA is expected to provide soon. We recommend staying in close contact with your state's SNAP agency for the most up-to-date implementation information.

Question: How do the new work requirements differ from existing law?

Answer: OBBB increases the number of SNAP participants subject to time limits for certain so-called "able-bodied adults." For the first time ever, SNAP participants ages 55 through 64, as well as parents of a school-age child age 14 or older, will be subject to time limits. The bill also adds a time limit on benefits for veterans, individuals experiencing homelessness and former foster care youth age 24 or younger. The bill also adds an exemption for individuals who are: an "Indian, or an Urban Indian, or a California Indian".

PREVIOUS LAW	NEW LAW
Adults ages 18-54 able to work and without dependents were subject to all work requirements and time limits.	Narrows SNAP exceptions for work requirements for able-bodied adults, and increases the age through which able-bodied adults must continue working (to age 64).
Excused an individual from time limits if they had someone under 18 in their household.	Requires an individual to be subject to time limits if they have someone age 14 years or older in their household.
Excluded these groups from time limits: • Veterans • People experiencing homelessness • People age 24 or younger and in foster care on their 18th birthday	Adds a time limit on benefits for: • Veterans • People experiencing homelessness • People age 24 or younger and in foster care on their 18th birthday
	New exceptions from work requirements for "Indians, Urban Indians, California Indians" and other people eligible for the Indian Health Services.

SNAP Thrifty Food Plan

Question: What changes will be made to the Thrifty Food Plan?

Answer: This provision requires all future adjustments to the Thrifty Food Plan, beyond inflationary adjustments, to be "cost neutral." This means USDA will no longer have the authority to modernize the Thrifty Food Plan regularly to account for important factors beyond inflation that affect the cost of a frugal, nutritious diet. Such factors include changes in dietary guidelines, food consumption patterns and food preparation methods. Prior Thrifty Food Plan market basket reevaluations (like the 2021 reevaluation) are **not** rolled back by this provision.

Question: What is the effective date for Thrifty Food Plan changes?

This provision is effective upon enactment. Reevaluations of the Thrifty Food Plan market basket occur on a five-year schedule, with the next reevaluation scheduled for no earlier than Oct. 1, 2027, the next no earlier than Oct. 1, 2032, and so on. The impact of this provision will be felt after the market basket reevaluation in 2027 and after all future five-year market basket reevaluations. Separately, the annual inflationary adjustment to the Thrifty Food Plan cost will continue each year. We are awaiting implementation details, which USDA is expected to provide soon.

Question: How does a cost neutrality requirement for the Thrifty Food Plan impact nutrition programs, like SNAP or TEFAP?

Answer: The USDA's Thrifty Food Plan estimates the minimum cost of a healthy diet. It determines benefit amounts for SNAP and SUN Bucks (Summer EBT) and impacts funding for TEFAP and the Nutrition Assistance Program (NAP).

The estimated cost of the Thrifty Food Plan changes month to month, based on average prices of foods and beverages, and to reflect inflation. USDA calculates an annual Thrifty Food Plan food price inflation adjustment by using year-to-year, June-to-June monthly Thrifty Food Plan cost data. This calculation results in a percentage change data point.

TEFAP example: Additionally, TEFAP entitlement funding receives an annual adjustment. By law ([7 USC 2036](#)), that adjustment reflects USDA's Thrifty Food Plan percentage adjustment. So, if the Thrifty Food Plan cost increases over the course of a year, TEFAP entitlement funding for that year will be adjusted and increased by the same percentage.

In 2021, a reevaluation of the Thrifty Food Plan resulted in a meaningful cost adjustment (approximately a 21% increase). This modernization—the first in decades—led to an increase in SNAP benefits, as well as a [\\$57.75 million increase in TEFAP entitlement funding in FY22](#).

Restricting future Thrifty Food Plan adjustments to be cost-neutral means TEFAP entitlement funding adjustments will also be limited to reflect cost-neutral, inflation-only changes.

Other programs have funding structures tied to the Thrifty Food Plan. See the chart below for additional information:

SNAP	TEFAP ENTITLEMENT FUNDING	SUN BUCKS (SUMMER EBT)	NUTRITION ASSISTANCE PROGRAM
Each year, USDA	USDA annually adjusts baseline	USDA annually adjusts SUN Bucks	USDA annually adjusts block grant

determines maximum SNAP benefit amounts using the cost of the Thrifty Food Plan.	TEFAP entitlement food funding levels by the same percentage as the annual adjustment to the Thrifty Food Plan.	benefit levels by the same percentage as the annual adjustment to the Thrifty Food Plan.	funding for Puerto Rico's Nutrition Assistance Program by the same percentage as the annual adjustment to the Thrifty Food Plan.
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SNAP Nutrition Education (SNAP-Ed)

Question: What is the effective date for the SNAP-Ed funding elimination?

Answer: OBBB eliminates funding for SNAP-Ed starting in federal fiscal year 2026 (Oct. 1, 2025). USDA's Food and Nutrition Service (FNS) is requesting state agencies provide notification of intent to close their federal fiscal year 2025 SNAP-Ed grant and return unexpended grant funding. State agencies that do not wish to terminate their remaining federal fiscal year 2025 SNAP-Ed funds must have submitted a state plan by Aug. 15, 2025, or no later than Aug. 31, 2025, if an extension was requested and approved. This should have included an intent to expend funds by Sept. 30, 2026.

Read more: <https://www.fns.usda.gov/snap-ed/grant-gas>

SNAP Energy and Internet

Question: What changes will be made to SNAP energy and internet allowances?

Answer: These provisions limit the standard utility allowance (SUA) qualification to only households with elderly individuals or individuals with a disability. Household internet costs (such as monthly subscriber fees, recurring taxes and fees charged to the household, the cost of modem rentals, fees charged by the provider for initial installation and other related costs) can no longer be used to calculate the excess shelter deduction in determining the household SNAP allotments.

Question: What is the effective date for SNAP energy and internet restrictions?

Answer: These provisions are effective upon enactment. In USDA guidance linked below, Secretary of Agriculture Brooke Rollins has encouraged state agencies to use a simplified methodology (FY25 SUA values adjusted for the June-June changes in the consumer price index). States were supposed to be revising their SUA methodology before Oct. 1 to comply with regulations finalized by the Biden administration in January. OBBB prohibits the inclusion of internet service costs, essentially blocking one aspect of that rule from being implemented. FNS will be "reviewing SNAP regulations pertaining to SUAs to determine changes necessary to comply with [OBBB]." We

recommend staying in close contact with your state's SNAP agency as it works on implementing this change.

Read more: [USDA Guidance on Standard Utility Allowance](#)

SNAP for Noncitizens

Question: What is the effective date for SNAP restrictions for noncitizens?

Answer: This provision is effective upon enactment. We are awaiting implementation details, which USDA is expected to provide soon. We recommend staying in close contact with your state's SNAP agency for the most up-to-date implementation information.

This provision removes access to SNAP for refugees and asylum seekers, while also adding access for certain entrants from Cuba and Haiti, and U.S. residents who live in the Marshall Islands, Federated States of Micronesia and Palau.

Impact on SNAP Participants and Benefit Levels

Question: How many people will be impacted by OBBB's changes to SNAP?

Answer: The Congressional Budget Office (CBO) has released provision-specific estimates on the impact on SNAP participation. Ultimately, multiple provisions will result in a reduction to SNAP benefit levels, or a loss of SNAP benefits altogether, for millions of participants. Reductions to SNAP are also estimated to hold implications for funding and participation in other nutrition programs.

Participation

- **Work Requirements:** CBO estimates these provisions will reduce participation in SNAP by roughly **2.4 million people in an average month** over the 2025-2034 period.
 - Among the people who will no longer participate in the program:
 - About 800,000 will be able-bodied adults age 64 or younger who do not live with dependent children.
 - Another 300,000 will be able-bodied adults ages 18 to 64 who live with children who are age 14 or older.
 - Roughly 1 million will be able-bodied adults ages 18 to 54 (or 18 to 49, starting in 2031) who do not live with dependents but who would have received a waiver from the work requirements (per CBO projections).
 - CBO estimates that the reductions in participation for veterans, people experiencing homelessness, and people ages 18 to 24 who were in foster care when they turned 18 will be partially offset by increases in participation among Native American individuals, resulting in a net reduction in SNAP participation of 300,000 people in those groups.

- **Cost-Shifting to States:** CBO expects that states collectively will reduce or eliminate SNAP benefits for about **300,000 people in an average month** over the 2028-2034 period.
 - CBO also estimates that in an average month, subsidies provided through child nutrition programs will **decrease for about 96,000** children over the 2028-2034 period.

Benefit Levels

- **Thrifty Food Plan:** CBO estimates that beginning in 2027, the average SNAP monthly benefit will be smaller than it would have been in CBO's January 2025 baseline projections. By 2034, that benefit will be \$14 lower, \$213 compared with \$227 in the baseline projection for that year.
- **Standard Utility Allowance:** CBO expects that the monthly SNAP benefit will decrease by roughly \$100 for about 3% of households, on average, in each year over the 2026-2034 period.
- **Restrictions on Internet Expenses:** CBO expects that the SNAP monthly benefit will decrease by about \$10 for roughly 65% of households, on average, in each year over the 2026-2034 period.

Read more: <https://www.cbo.gov/system/files/2025-08/61367-SNAP.pdf>

Medicaid Provisions

Medicaid

Question: What is the effective date for Medicaid changes?

Answer: Implementation of work requirements as a condition of eligibility for individuals ages 19-64 applying for coverage or enrolled through the ACA expansion group will become effective at the end of calendar year 2026, at the latest. This provision requires eligible individuals to work or participate in qualifying activities for at least 80 hours per month and does not allow for this requirement to be waived, including under Section 1115 authority.

OBBA also limits federal matching payments for Emergency Medicaid for individuals who would otherwise be eligible for expansion coverage except for their immigration status to the state's regular Federal Medical Assistance Percentage (FMAP). This provision will become effective in January 2026.

Read more: [Bill summary of Medicaid provisions from the Kaiser Family Foundation](#)

Question: What is the full extent of changes to Medicaid?

Answer: Changes to Medicaid expansion funding, eligibility and provider taxes will cut Medicaid funding by more than \$930 billion over 10 years. This is the largest cut in the

program's history and will result in over 8 million people losing health insurance by 2034 due to Medicaid cuts alone.

Read more: [Bill summary of Medicaid provisions from the Kaiser Family Foundation](#)

Other Topics

Meals Lost

Question: How did Feeding America calculate the impact of “meals lost” as a result of OBBB?

Answer: Feeding America estimates that OBBB could take nearly 6 billion meals off the table for SNAP participants every year. We have outlined [the methodology](#) used to calculate meals lost related to SNAP provisions in the final legislation.

As the legislative process unfolded, our estimate of meals at risk changed. The initial bill, as proposed in the House, could have resulted in about 9.5 billion meals lost for SNAP participants each year. However, as the bill was considered by the Senate, some of the proposals were altered or eliminated. Thanks to advocates like those in the Feeding America network, the final bill was less harmful than the originally proposed bill. This is reflected in our updated, final estimate of nearly 6 billion meals lost each year because of OBBB.