

FARM Priority Budget Reconciliation Provisions

Please note that impacts are projections and estimates and subject to change.

Provision	Effective Date	Details	Estimated Impact
Increase in SNAP State Administrative Costs	10/1/26	States' share of admin costs will increase from 50% to 75%.	<p>Increase in administrative costs expected in COG Region:</p> <p>VA: \$88 million increase</p> <p><u>MD: \$57.5 million increase</u></p> <p>DC: \$18,746,120 increase</p> <p>VA is one of 10 states in which county governments administer SNAP; local gov's will be responsible for an additional <u>\$19 million</u> under the new provision.</p>
Historical Change in SNAP Cost-Sharing	10/1/27	States pay 5-15% of benefit costs based on error rates. 0% cost share for error rates under 6%.	<p>Risks program cuts or termination. MD, DC, and VA had error rates of over 6% in 2023. Due to a provision in the bill, MD and DC can delay cost share requirements until FY 29 or 30. VA cannot, unless it increases its current error rate. Total <u>cost share burden for DC, MD, and VA with 2023 rate would be</u>: \$447 M</p> <p>DC: \$48M</p>

			MD: \$223 M VA: \$176 M
SNAP Immigrant Eligibility Restrictions	Effective immediately; pending USDA administrative guidance to states.	Revokes access for some lawfully present immigrants who aren't lawful permanent residents: Refugees, Asylees, Humanitarian Parolees, Survivors of Violence	This would include < 1,000 individuals in each DC and Maryland and 14,000 in Virginia . Note the number has not been revised for the provision excepting Cuban or Haitian entrants or Compacts of Free Association (COFA) nations.
SNAP Work Requirement Expansion	Effective immediately; pending USDA administrative guidance to states.	Expands Work Requirements (WR) for parents with children 14 and older; adults aged up to 64; removes exemptions for veterans, homeless individuals, former foster youth	Risks 148,000 residents across MD, VA, and DC losing some amount of SNAP benefits: DC: 14,000 MD: 56,000 VA: 78,000 SNAP household participation is used to directly certify students for Free and Reduced Priced School Meals (FARM) and counts towards a school district's Identified Student Percentage (ISP). Decreasing enrollment in SNAP due to new requirements will lead to lower ISPs and, in turn, lower federal reimbursement levels for CEP. This may lead school districts to decrease their CEP participation. The timeline of these impacts will vary based upon where schools are in their approved CEP plans.

SNAP Thrifty Food Plan Restrictions	Effectively immediately	Cost neutrality every 5 years	<p>This could prevent benefits from increasing alongside actual food costs, risking benefit erosion over time.</p> <p>Will reduce SNAP benefits by \$15 per month by 2034 for all recipients.</p> <p>This will be a benefit cut to Virginia of roughly \$580 million from FY27-FY33.</p>
Work Requirement Waivers for SNAP	Effective immediately	USDA barred from granting WR waivers in areas except where unemployment rates exceed 10%	Currently only 10 counties in the entire country would qualify for this.
Restricting SNAP Internet Expense Deductions	Effective Immediately	Households are no longer able to deduct internet expenses when calculating excess shelter deduction.	The Congressional Budget Office (CBO) estimates that monthly benefits will decrease by about \$10 for roughly 65% of SNAP households each year over 2026-2034.
Restricts SNAP Standard Utility Allowance to only Elderly	Effective Immediately	Households without elderly & disabled members can no longer use LIHEAP/energy assistance to qualify for a SUA (e.g. deduction to their qualifying income for SNAP benefits).	CBO estimates that this change will cut SNAP benefit amounts by roughly \$100/month. This change ignores the real burden of utility costs on working families, particularly in high-cost-of-living states.

& Disabled Participants			
Defunding SNAP Education Programs	9/30/25	<p>Defunds SNAP Ed after FFY25 (ending Sept. 30, 2025).</p> <p>This ends nutrition efforts that support healthier food choices and long-term well-being.</p>	<p>Federal funding for the SNAP Ed program and regional jobs lost:</p> <p><u>MD</u>: -\$6.4 million; will impact 541 SNAP-Ed partners and puts <u>70 jobs at risk</u>.</p> <p>VA:- \$7.43 million (FY 24 data); ends VA's program through Virginia Tech and eliminates one SNAP Ed Coordinator position with VA Department of Social Services.</p>
Medicaid work requirements for parents	12/31/28	<p>Requires parents with children over 14 (lowered from 18) to work 80 hours per month to maintain their coverage.</p>	<p>Nationally we could add 160,000 to 380,000 additional Medicaid enrollees losing coverage on top of the 5.2 million expected to lose coverage through other provisions signed into law.</p> <p>Medicaid household participation is used to directly certify students for Free and Reduced Priced School Meals (FARM) in Maryland and counts towards a school district's Identified Student Percentage (ISP). Decreasing enrollment due to these cuts will lead to lower ISPs and in turn, lower federal reimbursement levels for CEP. This may lead school districts to decrease their CEP participation.</p>

Lowers the federal Medicaid matching rate for “emergency only” services for Immigrants in the Medicaid expansion category	10/1/26	<p>States that expanded Medicaid under the ACA will receive a lower federal Medicaid matching rate (FMAP) for emergency services provided to low-income adults who are ineligible for full scope Medicaid because of their immigration status. Rather than the higher FMAP rate for this expansion group, states would receive the same rate as for the traditional Medicaid groups.</p>	<p>This makes it even more difficult for 40 states to sustainably fund their Medicaid programs, including DC, MD, and VA.</p>
Elimination of Medicare, Medicaid, and CHIP (Childhood Health Insurance Program) eligibility for many lawfully present immigrants	10/1/27	<p>The only immigrants eligible will be Legal Permanent Residents (LPRs), Cuban-Haitian entrants, COFA Migrants and/or for Medicaid/CHIP specifically lawfully residing children and pregnant people in states that opt to provide coverage for them.</p> <p>Residents who were previously qualified for Medicare and receiving benefits but no longer eligible per the legislation will have</p>	<p>A significant population of residents will no longer have healthcare coverage, and hospitals will see increased pressure.</p>

		them terminated no later than 18 months after the bill's passage.	
Child Tax Credit (CTC)	Effective for this tax year.	Limits eligibility for the CTC to children with a parent who has a Social Security Number regardless of whether their children have an SSN.	Estimates of number of children with a SSN who will be ineligible for the CTC: VA: 87,000 MD: 97,000 DC: 3,000
Commodity and Crop Insurance	10/1/26	Substantially raises farm subsidies for some farm operations by raising Price Loss Coverage (PLC) and Agricultural Risk Coverage (ALC) reference prices and the benchmark revenue guarantee.	18% and 54% of farmland acres in Virginia and Maryland (respectively) are eligible for ARC and PLC. These programs favor corn, soy, and wheat production. Farmers growing fruits and vegetables (among them, most small and direct-market farms) are not eligible for the programs.
Expanded crop insurance premium discount for beginning farmers	10/1/26	Provides an additional discount on crop insurance premiums for new and beginning farmers.	Impact will be minimal as the provision alone fails to barrier to enrollment that disincentivize crop insurance agents to write policies for small farms.

<p>Plus up for CSP, EQIP, ACEP, RCPP</p>	<p>10/1/26</p>	<p>Rescinds unobligated Inflation Reduction Act (IRA) funds within the Conservation Stewardship Program (CSP), Environmental Quality Incentives Program (EQIP), Agricultural Conservation Easement Program (ACEP), and Regional Conservation Partnership Program (RCPP). The bill increases permanent baseline funding for these same conservation programs. Over the 10 year budget window used to score the bill, each program's budget authority will be:</p> <p>CSP – \$13.6 billion, a 36% increase</p> <p>EQIP – \$31.55 billion, a 55% increase</p> <p>ACEP – \$6.85 billion, a 26% increase</p> <p>RCPP – \$4.475 billion, a 49% increase</p>	<p>This provision creates a long-term investment in each program that will last long beyond the 10-year budget window of this reconciliation package. This will ensure tens of billions of extra dollars in conservation funding in the coming decades and any future farm bill. However, OBBB removes targeted support for practices that help farmers deal with the impacts of climate change and increasingly severe weather that were a component of the original Inflation Reduction Act investments.</p>
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<p>Restore funding for some stranded Farm Bill Programs</p>	<p>10/1/26</p>	<p>OBBB will increase mandatory funding for Scholarships for Students at 1890 Institutions (1890 Scholarships) from \$40,000,000 to \$60,000,000 to remain available until expended. In addition, this bill significantly increases mandatory funding for the Specialty Crops Research Initiative (SCRI), scaling up funding from \$80,000,000 in FY25 to \$175,000,000 in FY26. This increase in funding for SCRI is only for FY26, and would revert to \$80,000,000 in FY27 without a commensurate change in a new farm bill or a second reconciliation package.</p> <p>Funding for \$8,000,000 each fiscal year for the National Organic Certification Cost-share Program through 2031.</p> <p>Funding for \$10,000,000 for the Organic Production and Market</p>	<p>Additional funding will be available for popular conservation programs. However, diminished staffing capacity at NRCS and other administering agencies may impact the USDA's ability to get dollars to farmers/service providers.</p>
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		Data Initiative for fiscal years 2026 through 2031.	
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Sources:

- Center for Budget and Policy Priorities' [By the Numbers: Senate Republican Leadership's Reconciliation Bill Takes Food Assistance Away From Millions of People](#)
- Center for Budget and Policy Priorities' [House Republican Reconciliation Bill Takes Away Health Coverage, Food Assistance, Tax Credits From Millions of Immigrants and Their Families](#)
- Center for Budget and Policy Priorities' [Research Note: Senate Republican Leaders' Proposal Risks Deep Cuts to Food Assistance, Some States Ending SNAP Entirely](#)
- Center for Budget and Policy Priorities' [Senate Agriculture Committee's Revised Work Requirement Would Risk Taking Away Food Assistance from More Than 5 Million People: State Estimates](#)
- Center for Migration Studies, Center on Poverty and Social Policy, and the Institute on Taxation and Economic Policy's [Estimated Number of Children with SSNs Who Would Become Ineligible for the Child Tax Credit if Parents/Guardians Were Required to Have SSN to Claim Credit: By State and Congressional District](#)
- FRAC'S [Comparison of Senate & House Budget Reconciliation Proposals](#)
- FRAC's [The Far-Reaching Harmful Impacts of the Reconciliation Bill — on Families, Older Adults, Immigrants, and State Budgets](#)
- Maryland Department of Human Services' [Budget Reconciliation Updates SNAP Provisions in H.R. 1 \(2025\)](#)
- Maryland Department of Human Services' [Impact of Proposed Federal Fiscal Year \(FFY\) 2026 Budget Cuts on Marylanders](#)
- National Association of Counties' [One Big Beautiful Bill Act \(P.L. 119-21\) Supplemental Nutrition Assistance Program \(SNAP\) Administrative and Funding Changes](#)
- National Sustainable Agriculture Coalition's [What's Really Inside the Final Budget Reconciliation Bill: A Breakdown of Food and Agriculture Provisions](#)
- Protecting Immigrant Families' [Provisions on Immigrants' Access to Public Benefits in the Final Reconciliation Package](#)
- Voices for Virginia's Children Presentation to the Virginia Healthy School Meals for All Coalition on July 10, 2025

Special thanks to LaMonika Jones, Director, State Initiatives, Food Research & Action Center for her input on this resource.

Voices for Virginia's Children will be releasing an analysis of the impacts of H.R. 1 on Virginia's children soon.