



Economic Services Division Community Meeting

**Presented by: Miranda Gray, Deputy Commissioner,
Economic Services Division, DCF**

Economic Services' Mission and Vision

Our mission:

To provide high quality service while administering programs to improve economic well-being for Vermonters.

Our vision:

Vermonters thrive with a sense of independence and connection to their communities.

<https://dcf.vermont.gov/esd>

3SquaresVT HR1 Changes

H.R.1 - budget reconciliation bill passed by Congress and signed into law July 4, 2025

Changes made to how SNAP program administration and benefits are funded

Policy changes made that affect benefits and eligibility

3SquaresVT HR1 Changes to Administrative Cost Sharing

Effective 10/1/2026 (FFY27)

Reduces the federal portion of administrative costs from 50% to 25%

States are now responsible for 75% of administrative costs to run the SNAP program

Also applies to administrative costs of the Outreach program

Does not apply to Summer EBT or SNAP Employment and Training

3SquaresVT HR1 Changes to Funding of SNAP Benefits

Effective 10/1/2027 (FFY28)

SNAP/3SquaresVT benefits have historically been 100% federally funded

This new law requires states to pay a portion of the benefit amounts based on whether the state has a payment error rate (PER) above 6%:

- PER below 6% = 0% state match
- PER 6 – 7.99% = 5% state match
- PER 8 – 9.99% = 10% state match
- PER 10% or higher = 15% state match

3SquaresVT HR1 Changes to Funding of SNAP Benefits

Vermont's official FFY24 PER is 5.13%

Unofficially, the cumulative PER for FFY25 for cases reviewed through April 2025 is 5.63%

States can choose either their FFY25 or FFY26 official PER for benefit cost-sharing requirement starting FFY28 (10/1/2027)

Starting in FFY29 and going forward, states will use the PER from 3 years prior (ex. FFY29 benefit cost-sharing is based on the FFY26 PER)

Vermont issues around \$12.5 million in benefits every month. For context, a 5% state match would cost the state \$7.5 million annually

3SquaresVT HR1 Changes

Funding for SNAP-Education Removed

National nutrition education and obesity prevention program – 100% federally funded

Effective 10/1/2025 no new funding is available

In Vermont, SNAP Ed is administered by ESD and VT Department of Health, in partnership with community providers

3SquaresVT HR1 SNAP Policy Changes

Time-Limited Benefit Work Requirements

Effective July 4, Implementing October 1

Removes the following exemptions:

- Experiencing homelessness
- Veterans
- Aged out of foster care

Changes the following exemptions:

- Limits the child in the home exemption to under age 14 (was under age 18)
- Expands the age subject to the work requirements to 18-64 (was 18-54)

Adds a new exemption:

- Individuals who are Indians, Urban Indians, California Indians and other Indians who are eligible for Indian Health Services

3SquaresVT HR1 SNAP Policy Changes

Availability of Standard Utility Allowances

Effective July 4, Implementing October 1

Limits the availability of "heat and heat" to only households with an elderly or disabled member

Households without a senior or disabled member are assigned the utility allowance that matches what utilities they pay for:

- SUA \$1096: allowed if paying for heating or cooling costs
- BUA \$311: if the household does not pay for heating or cooling but is responsible for 2 or more of other utilities (electricity, cooking fuel, water/sewage, garbage, telephone)
- Telephone allowance \$37: used if the household's only utility expense is a phone

3SquaresVT HR1 SNAP Policy Changes

Non-Citizen Eligibility

Effective July 4, Implementing October 1

Limits categories of non-citizens eligible for SNAP/3SquaresVT benefits

Removes eligibility for refugees and asylees

Eligible categories now are:

- Lawful Permanent Resident (disabled, under 18, work quarter, 5 yrs, military)
- Haitian/Cuban Entrant
- Compacts of Free Association (COFA) Citizen
- Amerasian Immigrant
- Canadian Born Native American
- Hmong or Highland Laotian Tribal Member

3SquaresVT

October 1 Updates

Thrifty Food Plan tables have been updated with a cost-of-living increase. Maximum benefits by household size:

- HH of 1 = \$298 (was \$292)
- HH of 2 = \$546 (was \$536)
- HH of 3 = \$785 (was \$768)
- HH of 4 = \$994 (was \$975)
- HH of 5 = \$1183 (was \$1158)

Deductions also increased

Gross income limits also increased (185% FPL):

- HH of 1 = \$2413 (was \$2322)
- HH of 2 = \$3261 (was \$3152)
- HH of 3 = \$4109 (was \$3981)
- HH of 4 = \$4957 (was \$4810)
- HH of 5 = \$5805 (was \$5640)

LIHEAP Recap of the Federal Changes

Happenings in Vermont's Fuel Assistance Program

- In March 2025, Federal House Human Services (HHS) announced the reduction of 10,000 Federal employees and reorganized from 28 divisions to 15 divisions. The Department of Energy Assistance was eliminated, but the LIHEAP Program was **not**, and HHS shifted staff around to continue to support LIHEAP.
- On July 31, 2025, the U.S. Senate Appropriations Committee passed a bill to fund LIHEAP at \$4.045 billion for FFY26, which starts October 1, 2025. This is a \$20 million dollar increase over FFY25.
- On September 2, 2025, the U.S. House of Representatives Appropriations Subcommittee on Labor, Health and Human Services passed a bill for FFY26 to fund LIHEAP at \$4.035 billion, an increase of \$10 million over FY25 funding levels, but slightly lower than the Senate's version.
- Both funding bills still need to be voted by the full Senate and House and that has not yet been scheduled. If they stay as they are a "Conference committee" will work out the details and decide on a final number.

LIHEAP

On the look out

- Moving forward, if Congress does approve the funding bill, then we would look to issue our Seasonal Fuel benefit around the middle of November 2025. However Federal funding still undecided, and the program has been exploring contingency options.
- The current Continuing Resolution funds government operations through September 30, 2025, leaving only 22 days for Congress to reach a funding agreement; if unresolved, a shutdown is possible, and in FY2019, the shut down lasted 35 days before a resolution was reached.

Stay Connected

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<https://dcf.vermont.gov/esd/newsletter>

Questions?

Please raise your virtual hand, or type your question in the chat

Next Meeting: December 2025

Thank you for joining us!

Stay Connected

**Have a question to a presenter, please
contact them at:**

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