



DATE: August 15, 2025

SUBJECT: Supplemental Nutrition Assistance Program (SNAP) – Simplified Process for Fiscal Year 2026 Standard Utility Allowance (SUA) Values

TO: All SNAP State Agencies
All Regions

On July 4, 2025, President Donald J. Trump signed into law the One Big Beautiful Bill Act of 2025 (OBBB). Section 10104 of the OBBB prohibits State agencies from treating internet costs as an allowable shelter expense for the purposes of the excess shelter deduction in the Supplemental Nutrition Assistance Program (SNAP).

The Food and Nutrition Service (FNS) previously published the final rule entitled, “[SNAP: Standardization of State Heating and Cooling Standard Utility Allowances](#),” on November 18, 2024. The final rule required changes to how standard utility allowances (SUAs) are calculated by adding internet costs and setting criteria for the nature and frequency of SUA methodology updates. Following the enactment of the OBBB, FNS is reviewing SNAP regulations pertaining to SUAs to determine changes necessary to comply with the OBBB.

Consistent with Secretary Rollins’ guiding principles, FNS strongly encourages State agencies to adopt a simplified process for calculating Fiscal Year (FY) 2026 SUA values. This simplified process will streamline and expedite approval of the FY26 SUA values, promote program integrity, and protect both SNAP participants and the taxpayer. FNS must ensure that FY26 SUA values are compliant with all statutory requirements and approved timely during this transitional period.

State agencies may not use a new SUA methodology to calculate their SUA values without approval from FNS and are required to update their SUA values each year. Due to these requirements, FNS strongly urges State agencies to utilize the following approach.

Simplified Process for Calculating FY26 SUA Values

To determine FY26 SUA values, State agencies may adjust their FY25 SUA values by the change in the Consumer Price Index (CPI) for All Items between June 2024 and June 2025.¹ FNS will readily approve SUA values calculated using this method.

¹ The Consumer Price Index for All Urban Consumers (CPI-U) for All items (not seasonally adjusted) increased 2.7 percent between June 2024 and June 2025. State agencies can find more information at: <https://www.bls.gov/cpi/data.htm>.

State agencies can submit their proposed values using this adjustment method to their respective FNS Regional Office for expedited review and approval. If applicable, State agencies should include their approved standard medical deduction (SMD) offset value as part of their submissions.

FNS discourages State agencies from providing an alternative method for their FY 26 SUA values. If State agencies submit an alternative method for calculating FY26 SUA values, FNS cannot guarantee approval by September 1, 2025.

State agencies with FY25 SUA values that include internet costs under an FNS-approved waiver must cease using those values immediately. These State agencies should reach out to their FNS Regional Office to determine next steps.

FNS stands ready to work with State agencies and provide additional technical assistance as you work through the new OBBB provisions. State agencies with questions on their FY26 SUA values should contact their respective FNS Regional Office. These questions will help inform additional guidance on OBBB in future memos.

Sincerely,

**SHELLY
PIERCE**

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for

Ronald Ward
Acting Associate Administrator
Supplemental Nutrition Assistance Program
Food and Nutrition Service
U.S. Department of Agriculture