House Appropriations Committee
Senate Budget and Taxation Committee
Delegate Ben Barnes, Chair
Senator Guy Guzzone, Chair

Agenda

Wednesday, October 29, 2025, 3:30 pm
Virtual Meeting on Zoom

I. Call to Order and Chairs' Opening Remarks

II. Overview of Federal SNAP Shortfalls Amid Federal Shutdown by the Department of Legislative Services

- **David Romans**, Fiscal & Policy Analysis Coordinator

III. Overview of the Economic Impact of SNAP Benefits on the State

- **Brooke Lierman**, Comptroller

IV. Administration Discussion on Potential State Action

- **Yaakov "Jake" Weissmann**, Acting Secretary, Department of Budget and Management
- **Jeremy Baker**, Chief Legislative Officer, Governor's Legislative Office

V. Impact of Food Assistance to Maryland SNAP Beneficiaries

- **Michelle Madaio**, Health and Benefits Equity Project, Public Justice Center

VI. Opportunity for Questions and Discussion by Committee Members

VII. Chairs' Closing Remarks and Adjournment

Supplemental Nutrition Assistance Program and the Federal Shutdown

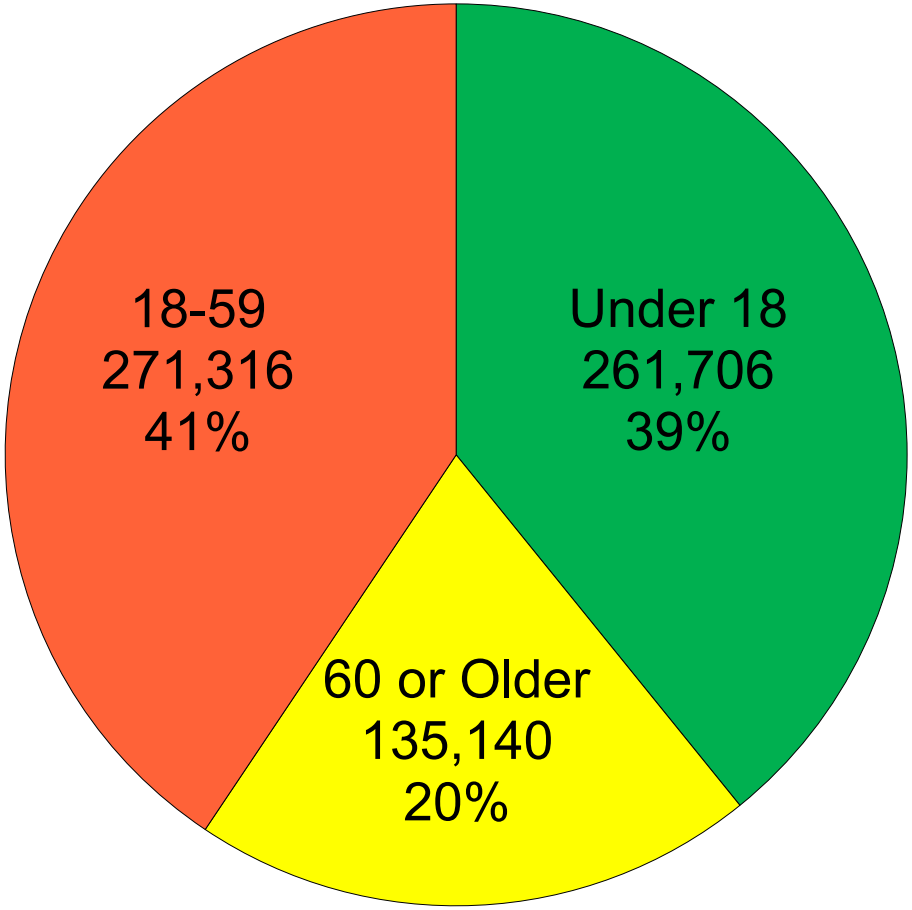
Presentation to the
Senate Budget and Taxation and
House Appropriations Committees

October 29, 2025

Supplemental Nutrition Assistance Program Receipt

- In August 2025 (the most recent information available), the Department of Human Services (DHS) reports
  - 371,522 households receiving benefits through the Supplemental Nutrition Assistance Program (SNAP), with 668,162 recipients
  - Benefit issuances totaled $123.2 million
  - Average benefits per recipient were approximately $184
- To receive benefits, households can have a gross monthly income of 130% of the federal poverty level
  - For federal fiscal 2026, a family of three can qualify with gross income to $2,888 (about $34,700 annually)
  - The maximum monthly allotment for a household of three is $785

SNAP Recipients by Age
August 2025



Supplemental Benefit for Seniors

- Section 5-501(d) of the Human Services Article requires the State to provide a supplemental benefit for households that include individuals age 60 or older who receive federal SNAP benefits of less than $50 in the amount necessary to bring the combined benefit to $50

- In August 2025, DHS reports there were 135,140 individuals age 60 or older receiving SNAP; of these, 28,921 received the supplemental benefit

- The average supplemental benefit was just under $26 in that month

Status of Benefit Issuances During Shutdown

- Funds were available for issuances in October 2025 as states obligate funds in the month prior to issuance
- On October 10, 2025, the U.S. Department of Agriculture (USDA) directed states to hold November issuance files from electronic benefits transfer vendors
- Although SNAP contingency funds are available, USDA issued guidance last Friday indicating that contingency funds cannot be used to respond to the shutdown. This was a reversal of the September 2025 guidance
- USDA reports benefits will not be issued in November absent a continuing resolution/end of the government shutdown
- **USDA also indicates that current law does not allow states to cover the cost of benefits and subsequently be reimbursed**

SNAP and Prior Shutdowns

- The 2018-2019 shutdown is the only shutdown of sufficient length since 2000 to have impacted multiple benefit cycles in SNAP
- In the 2018-2019 shutdown, issuances continued as normal for January 2019
- For February 2019 issuances, USDA indicated benefits could be provided, if provided to recipients by January 20 (one month after the shutdown began)
- Maryland issued benefits to existing recipients by January 17, 2019

What Can the State Do?

- The Governor could declare a state of emergency and use the emergency powers to transfer funds from the Revenue Stabilization Account (Rainy Day Fund) to provide November SNAP benefits or an alternative food assistance program
  - Governor Lawrence J. Hogan, Jr. used this approach in May 2015 to transfer $20 million from the Rainy Day Fund to respond to unrest in Baltimore City
  - Governor Hogan utilized this mechanism again in October 2020 to transfer $250 million from the Rainy Day Fund for an Economic Relief Initiative
  - Absent a state of emergency, there is no mechanism to withdraw funds from the Rainy Day Fund without action by the General Assembly

Available Cash Resources

- The State is currently projected to close fiscal 2026 with a general fund balance of $440 million
  - This figure captures the revisions to the fiscal 2026 general fund revenue estimate adopted by the Board of Revenue Estimates in September
  - It does <u>not</u> account for potential fiscal 2026 deficiencies. State agencies reported almost $350 million of shortfalls at the close of fiscal 2025 that will require fiscal 2026 deficiencies. The Department of Legislative Services (DLS) expects additional funds will be needed to address higher than budgeted fiscal 2026 costs
  - The general fund surplus and likely some funds from the Rainy Day Fund will be needed to fund the deficiencies
  - DLS also expects fiscal 2027 costs to substantially exceed end of session estimates due to the ongoing impact of many of the deficiencies, costs associated with the One Big Beautiful Bill Act, and unfavorable trends in some program costs

Available Cash Resources (cont.)

- The Rainy Day Fund is projected to close fiscal 2026 with a balance of $2.25 billion, which equates to 8.4% of general fund revenues
  - Utilizing $123 million for SNAP would reduce the balance to $2.1 billion (7.93% of general fund revenues)