

What the New Federal Budget Law Means for SNAP in Maryland

As of August 5, 2025

<u>H.R. 1 (2025)</u> was signed into law by President Trump on July 4, 2025. The new law directly impacts Maryland's Supplemental Nutrition Assistance Program (SNAP) by changing who is eligible, reducing benefit amounts, and increasing the cost of funding the program.

This guide answers key questions about how Marylanders may be impacted by the new law. Some information may change when the federal government shares instructions for implementation.

If you have further questions, please call 1-800-332-6347 or contact <u>your local department of social services</u>. For information on H.R. 1's impact on Maryland Medicaid, please see the following <u>Q&A from the Maryland Department of Health</u>.

Work Requirements

Does H.R.1 introduce new work requirements for SNAP customers?

Yes. The following groups are now subject to work requirements as a result of H.R. 1:

- An adult between the ages of 18 and 64 years who is not disabled and does not have children under the age of 14 living in their home;
- Veterans;
- Young adults who aged out of out-of-home care and who are under the age 24; and
- People who are unhoused.

Will the new work requirements take effect immediately?

The federal government has not announced when the new work requirements will take effect. Most households impacted by these changes will have three months from the day the new rules begin to meet the requirements. We will provide updates as soon as we receive federal information.

What are the work requirements?

A SNAP customer will need to prove they spend at least 80 hours per month doing at least one of the following:

- Working,
- Volunteering,
- Participating in a work program, such as SNAP Employment and Training.

This information may change when we receive updated federal work requirement guidance.

Will my Local Department of Social Services (LDSS) let me know if the new work rules affect me?

Yes. If the new work requirements apply to you, your LDSS will send you a letter as soon as we receive federal guidance. The letter will explain what to do to maintain your SNAP benefits, how to show you're meeting the new work requirements, and how to contact your local office if you think you qualify for an exemption.

Who is exempt from the work requirements?

Under H.R. 1, you do not need to meet work requirements if you:

- Are under 18 or over 64 years old,
- Are medically certified as physically or mentally unable to work,
- Are a parent or caregiver of a dependent child under 14 years old,
- Are enrolled in a Temporary Cash Assistance (TCA) employment program.

What will happen if I am unable to meet the work requirements?

If you can not meet the work requirements, your first step is to contact your Local Department of Social Services (LDSS) to determine if you qualify for an exemption. Find the LDSS office closest to you at dhs.maryland.gov/local-offices.

If you do not qualify for an exemption and are still unable to meet the work requirements within three months from the day the new rules begin, you may lose your SNAP benefits. If you lose your benefits, you may apply again at any time but will need to meet the work requirements to receive SNAP.

If I am subject to work requirements, what will the State do to help me comply?

We partner with organizations across the state to help Marylanders find meaningful employment. You may also meet the work requirement by volunteering with an organization of your choice or by participating in an approved training program. Visit our website to learn more.

Benefits

Will H.R.1 impact how SNAP benefits are calculated?

Currently, Marylanders who can show they pay a utility bill receive a \$557 Standard Utility Allowance when applying for SNAP. This utility allowance lowers their income on their SNAP application, increasing their SNAP benefit amount.

H.R.1 ends the utility allowance unless the household includes a person who is elderly or disabled. This change means many Marylanders will see lower SNAP benefit amounts each month.

I am a New American. Will H.R. 1 affect me?

Yes. H.R. 1 limits SNAP for New Americans to lawful permanent residents, Cuban or Haitian entrants, and individuals from the Federated States of Micronesia and the Republic of the Marshall Islands.

Will H.R.1 impact Cash Benefits such as the Temporary Cash Assistance Program or Temporary Disability Assistance Program?

No. H.R. 1 will not impact cash benefits.

SNAP Education

Does H.R.1 affect money used to provide nutrition education to SNAP recipients?

Yes. H.R. I eliminates funding for the SNAP Education program. We currently partner with the University of Maryland to help customers make informed, healthy eating choices and get the most out of their SNAP dollars. This \$6.4 million program reaches 424,000 Marylanders, including children.

Ending this program eliminates obesity education efforts and negatively impacts 541 SNAP-Ed partners across the state.

Increased Costs to Marylanders

How will SNAP benefits be funded by the state and the federal government?

Before H.R. 1, the federal government paid for all SNAP benefit costs and half of all SNAP administrative costs. H.R. 1 reduces the federal government's share of administrative costs from 50% to 25%, and increases the state share to 75%.

Currently, Maryland spends a total of about \$230 million on SNAP administrative costs. \$115 million is covered by the state and \$115 million is covered by the federal government. Under H.R. 1, Maryland will pay an additional \$57.5 million in state funds to administer SNAP for a new state total of \$172.5 million per year.

H.R. 1 will also make states pay for SNAP benefits based on their Payment Error Rate (PER). The PER is a rate of SNAP overpayments and underpayments made to customers. Payment errors are unintentional mistakes and not the result of fraud.

- PER < 6%: 0% state match
- PER ≥ 6% but < 8%: 5% state match
- PER ≥ 8 but < 10%: 10% state match
- PER ≥ 10%: 15% state match

Under this new provision, starting on October 1, 2027, Maryland could be responsible for 15% of SNAP benefit costs, or \$240 million per year based on a PER ≥ 10%. Our current federally assessed FFY24 PER is 13.64%.