

Impact of Proposed Federal Fiscal Year (FFY) 2026 Budget Cuts on Marylanders

June 6, 2025

- We serve more than one million Marylanders in communities across all 24 jurisdictions through our local departments of social services. Nearly 70% of our department's \$4.17 billion budget is federally funded. These dollars are not just numbers, they are lifelines for Marylanders.
- We invest in Marylanders so they can thrive and reach their full potential by:
 - o Providing preventive and supportive services,
 - o Creating meaningful connections to job training, and
 - Working to end childhood poverty and leave no one behind.
- When combined with impact to the over 1.5 million Marylanders served through Medicaid, the passed U.S. House of Representatives' "The One, Big, Beautiful Bill" (H.R. 1) threatens to unravel the safety net for Marylanders. If enacted, H.R. 1 will mean fewer meals, colder homes, and worsening health for families statewide.¹

More Hunger, Less Help - SNAP Under Threat

- Over 684,000 Marylanders rely on Supplemental Nutrition Assistance Program (SNAP) funding to feed their families, receiving an average SNAP benefit of just \$180 per month.
 - More than 59% of Maryland SNAP customers are families with children,
 - More than 32% of SNAP households are families with older adults or disabilities, and
 - More than 39% are working families.
- SNAP helps Marylanders put food on their tables and directly boosts farmers, as well as small and local businesses who make up the 3,800 retailers in Maryland.

¹ For more information, please see the Maryland Department of Health's <u>press release</u> and <u>fact sheet</u>.

- H.R. 1 will slash SNAP benefits, deepening food insecurity and hunger, and place a total \$572.5 million burden on Maryland taxpayers. In FFY 2024 Maryland was required to spend about \$115 million in general funds to administer the SNAP program; the federal government paid 50% of administrative costs (\$115 million) and 100% of the benefits.
- H.R. 1 would require, for the first time, that Maryland pay for 75% of administrative costs and 25% of benefits from the general fund. Maryland taxpayers would have to shoulder an additional \$457.5 million in benefit and administrative costs to maintain the same level of service.

SNAP CUSTOMERS SERVED

MONTHLY AVERAGE



Total Served: Child 270,578 Adult 413,515 All 684,093

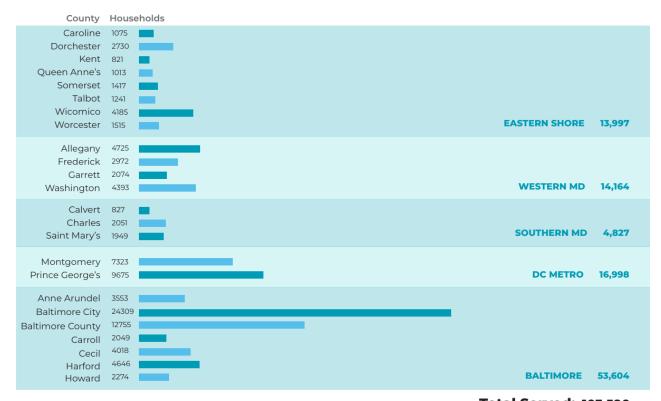
Totals represent monthly average customers served in State Fiscal Year 2025 to date (July 2024 - April 2025). Children are age 0-17.

More Cuts on the Horizon:

As the U.S. Senate begins its deliberations, there are more proposed federal budget cuts:

- Cuts to Low-Income Home Energy Assistance Program (LIHEAP) (\$94.6 million Total State Fiscal Year (SFY) 2025 Adjusted Appropriation)
- Marylanders rely on LIHEAP funding through our Office of Home Energy Programs (OHEP) to cool their homes in the summer months and keep their families warm in the winter. The federal fiscal year (FFY) 2026 budget proposes to eliminate LIHEAP entirely. If enacted, the cut would leave over 103,000 Maryland households in the cold.
- In Maryland, this federal grant is a direct payment to a utility company or a
 heating fuel supplier to partially cover utility costs for eligible households.
 Without these LIHEAP funds, tens of thousands of Marylanders across the
 state, including those with serious medical conditions, will face dangerous
 conditions and utility shutoffs.
- We are projected to issue nearly \$80M (FFY2025) in LIHEAP benefits, with an average of \$781 per household per year (FFY2024).

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM HOUSEHOLDS SERVED



Total Served: 103,590

2. Proposed Cuts to the Commodity Supplemental Food Program (CSFP) (\$285,000 - Total SFY2025 Adjusted Appropriation)

- This year, the Maryland General Assembly passed a bill to transfer CSFP from the Maryland Department of Aging to the Maryland Department of Human Services. The program provides supplemental nutrition to nearly 3,500 seniors 60 years or older across Maryland every year with monthly food packages.
- We want to partner with our Department of Agriculture to invest in Maryland farmers to provide the healthy food our seniors deserve. But a proposed \$285,000 cut would dismantle this critical safety net and undermine our commitment to aging with dignity and nutrition.

3. Proposed Cuts to Community Services Block Grant (CSBG) (over \$9.78 million in FFY25 grants to community based organizations)

- The FFY2026 proposed budget eliminates the CSBG entirely and this will hurt 150,000 Marylanders who receive employment, housing, crisis support, and wraparound service support from 17 community action agencies across the state. Eliminating CSBG severs the backbone of our community support network; an unforgivable blow during a time of rising need.
- CSBG funds act as some of the most innovative local and community-based methods by which Marylanders become financially independent and connected to jobs. CSBG grantees are results-driven, through regular audit and performance evaluations, and deliver measurable outcomes.

4. Proposed Cuts to Administration for Community Living (ACL)

As part of the U.S. Department of Health and Human Services (HHS) reorganization, the ACL is being dismantled, with its programs redistributed to other agencies within HHS. Programs such as Meals on Wheels, senior centers, and independent living services may face disruptions or reductions in support leaving our most vulnerable to fend for themselves.

5. Proposed Cuts to Refugee and Unaccompanied Children Programs

- The proposed budget ends nearly all funding for refugee and unaccompanied children programs.
- We continue to administer previously awarded federal funds (\$62 million in SFY 2025), <u>serving over 10,600 individuals through the U.S. Refugee</u>
 <u>Admissions Program and other humanitarian parole programs</u> suspended on Jan. 20, 2025.