TESTIMONY OF COMPTROLLER BROOKE LIERMAN
House Appropriations Committee & Senate Budget and Taxation Committee
October 29, 2025

Introduction

Good afternoon, Chair Barnes, Chair Guzzone, and honorable members of the Appropriations Committee and Budget & Tax Committee. I am Brooke Lierman, Comptroller of Maryland, here to speak about the importance of the Supplemental Nutrition Assistance Program, or SNAP. You all know – and will have many other speakers talk about the importance of SNAP for its nutrition and health benefits. Today, after some preliminary comments, I will focus my comments on the economic importance of SNAP and the challenges that families, our business community, and our state will face if SNAP is not funded.

First, I want to underscore how unprecedented this impending deadline is. In the prior 11 government shutdowns, dating back to 1980, the federal government always met its legal obligations in funding SNAP. During prior shutdowns, the USDA, which oversees SNAP, has issued guidance to assure states that contingency funding would be made available if needed to pay regular benefits. In fact, we have been unable to find any other time since SNAP's creation in the Food Stamp Act of 1964 when the federal government refused to fulfill its obligations and fund these benefits.

Second, in Maryland – unlike in most other states – SNAP is a federal-state partnership. While the vast majority of the funds come from the USDA, Maryland itself does fund some benefits. In 2016, I passed bipartisan legislation to create a state SNAP supplement for older Marylanders (HB445/SB758). The program requires that for those aged 62 and older who are receiving less than $30 per month from the federal SNAP program, the State of Maryland must add the difference up to $30. Last year this body lowered that age to 60 and raised the amount to $50. I'll get back to why this legislation matters administratively in a moment, but because of this requirement, older Marylanders should continue to receive $50 even when the federal government does not provide anything else. Indeed, Maryland will actually be paying more through this senior SNAP program than ever before because it will be mandated to pay the full $50 to every senior (60+), not just those who qualify for less than $50.

Over 640,000 Marylanders receive SNAP and because of the senior SNAP supplement, the brunt of this failure to pay will be borne by children and families. Today though I will focus my comments on the other population who will suffer: retailers and their employees.

Impact on Maryland's Economy

Economic research consistently shows that SNAP delivers one of the highest short-term economic multipliers of any federal program. Every SNAP dollar is spent nearly immediately and then generates additional economic activity as it circulates through our communities, supporting jobs, businesses, and tax revenue. When SNAP benefits are cut, economically harmful ripple effects inevitably follow.

SNAP has an important multiplier effect in the national and state economies. According to a 2019 Economic Research Service Report,[1] the GDP multiplier for SNAP is 1.5. This means that for every $1 billion in SNAP benefits, we see a $1.5 billion increase in GDP. If you extrapolate these figures to Maryland, with a starting estimate of monthly SNAP benefits of $125 million, the economic effect for Maryland is over $187 million a month. Over 3,800 Maryland grocery stores and food retailers currently accept SNAP benefits. Nationally, this spending supports over 13,000 jobs and generates $32 million in income for farmers. It's a powerful return that strengthens both our communities and our economy. This economic activity generates approximately $289 million in state tax revenue and $333 million in federal tax revenue (nationally).

The business impact of SNAP cuts could be immediate and severe. SNAP benefits flow directly into local businesses—grocery stores, farmers' markets, and food retailers across Maryland. When benefits are reduced, these businesses experience immediate sales losses and reduced economic activity.[2] For smaller retailers operating on tight margins, this money can mean the difference between staying open and closing their doors; between maintaining their workforce and making layoffs.

Eliminating SNAP will hurt Maryland's most challenged areas the hardest. Maryland's highest-need areas are particularly reliant on the economic benefits of SNAP. For example, Allegany County, where more than 20% of households rely on SNAP benefits, has a total of 60 SNAP retailers to serve the County's 15,523 SNAP recipients. Many of these retailers represent significant employers and points of food access for a county that already struggles with economic and food insecurity, and where the United States Census Bureau identifies only 16 grocery stores (these stores and families are still struggling to recover from floods and were recently denied FEMA funding as well). Even families who are not reliant on SNAP benefits are likely to see reduced food access and employment as a result.

This problem is not isolated to rural Maryland. SNAP serves Maryland's highest-need areas with particular effectiveness – and families and retailers in those areas all depend on SNAP's revenue. Our Bureau of Revenue Estimates found that 25% of Maryland SNAP recipients live in high-poverty areas. Suddenly removing SNAP revenues from already-struggling neighborhoods

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[1] The Supplemental Nutrition Assistance Program (SNAP) and the Economy: New Estimates of the SNAP Multiplier

[2] SNAP cuts threaten grocery stores nationwide

will have cascading consequences that could drive many of these communities further into poverty.

SNAP Recipients are among those struggling the most right now. Programs like SNAP are more important now than ever, given where our economy is. The data reveals a troubling bifurcation in our economy – a K-Shaped economy. While high-income consumers continue spending, lower-income Marylanders are showing clear signs of financial strain—their spending cannot keep pace with inflation. There has been a growing divide in recent months as it gets more expensive for Americans to afford basic household goods, but wealthier individuals and families benefit from stock market investments and rising home values. Right now, lower-income households are attempting to weather multiple challenges:

- **Disproportionate impact of inflation**: Lower-income households spend a larger percentage of their income on necessities like food, housing, and energy. When the prices of these goods increase, there is less money left for other spending.
- **Slowing wage growth:** Although wages grew significantly, the pace of growth has slowed down, and the cooling labor market has hit lower-income workers harder, with some experiencing reduced hours.
- **Increased costs for essentials:** Major expenses like housing and utilities have seen significant increases, consuming a larger portion of household budgets. Grocery prices have also risen sharply. And, the resumption of student loan payments has added to the financial strain for many households.

I am hopeful that in the future, inflation will decrease and lower interest rates will deliver some relief. But that's not the reality at this moment in time. Cutting SNAP now will accelerate the erosion of economic stability for Maryland's most vulnerable families at precisely the moment they need support most.

Maryland's Capabilities

State governments across the nation are trying to decide what to do to help our most vulnerable residents. Our Attorney General has joined other attorneys general to sue the Trump Administration for their failure to fund a mandated program – that has money set aside for it.

Maryland is in a fairly unique situation. SNAP dollars go directly from the federal government to our EBT provider (Conduent) for loading onto EBT cards. Different families receive them at different times during the month – not everyone is paid on the first of the month. In Maryland, because of the senior SNAP program, Maryland also has the ability to add money directly to EBT cards. Most other states cannot do this. Therefore, should Maryland choose to fund SNAP for the month of November, it could transfer the funds to the vendor. Indeed, it will already be transferring the required $50/month for those aged 60 and up.

We know that fully funding SNAP benefits in the month of November will cost about $125 million. I recognize that over the next three years, our state and its residents will be tested time and time again, and we as a state will simply not be able to make up for the gaps from federal funding cuts. From Medicaid to housing benefits to grant funding to disaster relief – the needs will be never-ending, and there will be a case to be made for each cut.

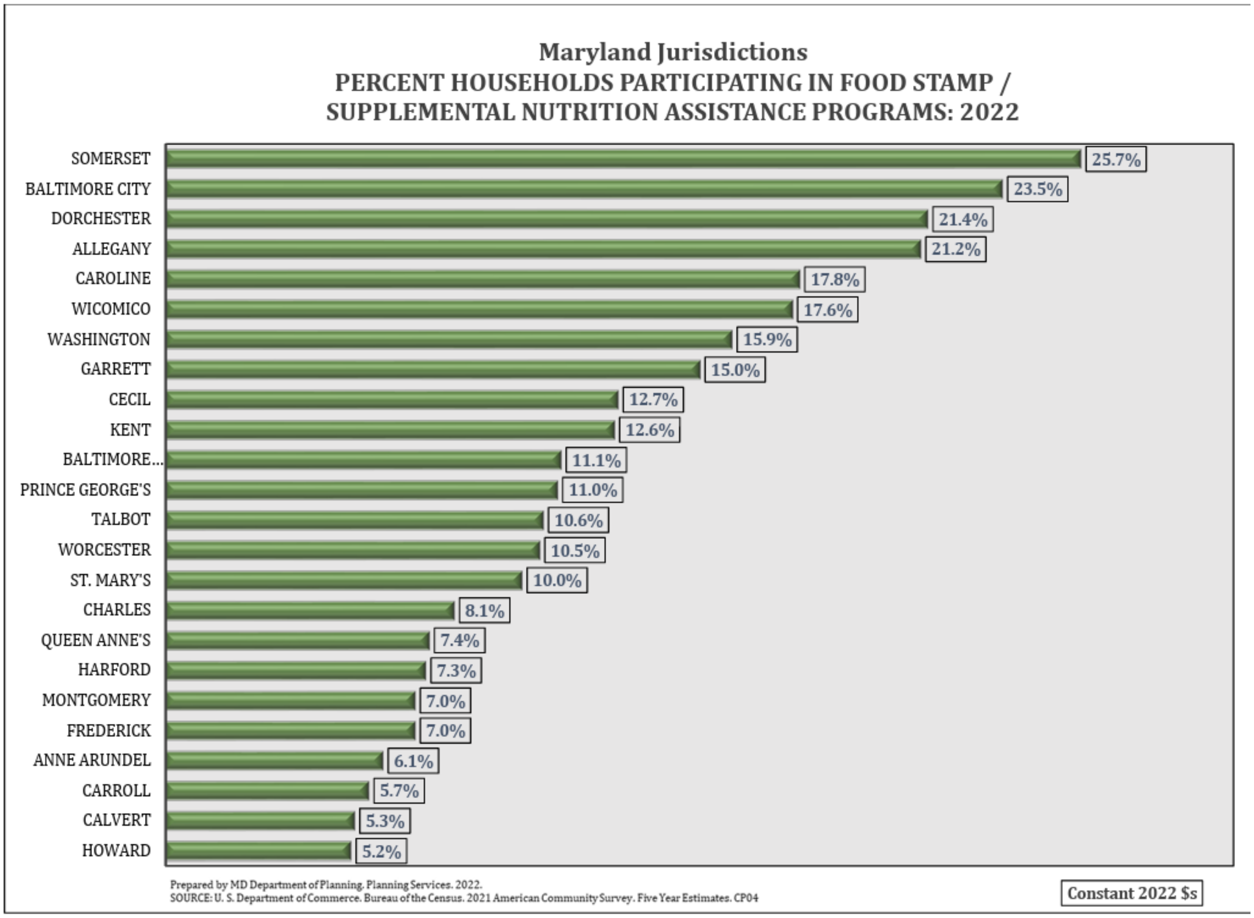
Nonetheless, because of its immediate impact on our most vulnerable residents, on businesses that are barely scraping by, on some of our most historically challenged communities, and recognizing the cascading impact of these cuts on Maryland's economy, I do hope that our state will act to extend SNAP benefits for the month of November. I hope that through legal action we could recoup the funding, but even if we could not, this is money well spent—on families, on seniors, and on the local businesses that are depending on us during these very rainy days.

Thank you for giving me the opportunity to present the data on the potential economic and social impacts of the loss of SNAP benefits. This is a very scary and incredibly challenging time for hundreds of thousands of Marylanders, and I appreciate the leadership of our Governor, Attorney General, and General Assembly.

My best,

Brooke E. Lierman
Comptroller of Maryland

ADDENDUM: Maryland Households Participating in SNAP Programs by County


Maryland Jurisdictions
PERCENT HOUSEHOLDS PARTICIPATING IN FOOD STAMP / SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAMS: 2022
SOMERSET 25.7%
BALTIMORE CITY 23.5%
DORCHESTER 21.4%
ALLEGANY 21.2%
CAROLINE 17.8%
WICOMICO 17.6%
WASHINGTON 15.9%
GARRETT 15.0%
CECIL 12.7%
KENT 12.6%
BALTIMORE... 11.1%
PRINCE GEORGE'S 11.0%
TALBOT 10.6%
WORCESTER 10.5%
ST. MARY'S 10.0%
CHARLES 8.1%
QUEEN ANNE'S 7.4%
HARFORD 7.3%
MONTGOMERY 7.0%
FREDERICK 7.0%
ANNE ARUNDEL 6.1%
CARROLL 5.7%
CALVERT 5.3%
HOWARD 5.2%
Prepared by MD Department of Planning. Planning Services. 2022.
SOURCE: U. S. Department of Commerce. Bureau of the Census. 2021 American Community Survey. Five Year Estimates. CP04
Constant 2022 $s