



IMPACT OF FEDERAL GOVERNMENT SPENDING AND JOBS ON THE MARYLAND ECONOMY

JUNE 2025



UNIVERSITY OF
MARYLAND

ROBERT H. SMITH
SCHOOL OF BUSINESS



COMPTROLLER of MARYLAND

S E R V I N G T H E P E O P L E

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LETTER FROM THE COMPTROLLER

For decades, the federal government and the State of Maryland have enjoyed a special and mutually-beneficial relationship. With numerous federal agencies, laboratories, and military installations physically located in our state, the federal government has served as a steadying force for Maryland's economy and tax base, helping us to withstand periods of financial instability and decline, including recent recessions, which have most heavily impacted the private sector. Likewise, the federal government has reaped the benefits of our well-resourced state – from our highly educated, skilled, and diverse population that has stepped up to serve the nation using their talents as scientists, national security analysts, doctors, nurses, and hundreds of thousands of other professionals in support of the nation's defense, health, and economic security to our “Eds and Meds” anchor institutions and other Maryland-based companies that provide a wide range of goods and services to the federal government to advance the nation's priorities.

The Trump Administration's sweeping cuts to federal government jobs and spending put this long-standing relationship at risk. As Maryland, and the rest of the country, brace for the economic impact of federal government retrenchment, we must continue to “prepare for the potential.” This requires that we: 1) quantify how our economy and tax revenues are now and may be affected by

federal actions, 2) identify opportunities to pivot away from our state's historic reliance on the federal government, and 3) grow both emerging and traditional industries within our private sector.

As the state's elected chief fiscal officer, I have a keen interest in each part of this equation, but I recognize that first and foremost, we must have a more complete understanding of the impact of the federal government to Maryland's economy and revenues. My office has been committed to quantifying and analyzing the federal government's role in Maryland's economy for the past several years. Our inaugural State of the Economy report analyzed the changes in Maryland's economy pre, during, and post pandemic compared to our neighboring states and the U.S. overall and provided key insights into how the federal government has helped sustain our state's economic well-being. Last summer, we released our Procurement Economy Playbook that quantified the role of federal, state, and local procurement in business and economic growth in Maryland.

This new report is the first output of a joint project between my office and the University of Maryland Robert H. Smith School of Business to quantify federal government spending and employment in Maryland and to measure the direct impact of job losses and funding reductions resulting from completed, planned, or potential Trump Administration actions. This report provides a

baseline analysis of federal spending and jobs in Maryland in the most recent fiscal year, and during the past decade, prior to the start of the second Trump Administration.

The next output of this project, scheduled for release later this summer, will be a second report with scenario analysis case studies that will estimate the direct financial impacts of Trump Administration actions to Maryland's economy, such as the proposed fiscal year 2026 budget and already enacted cuts to agencies. The final output will be an interactive tool that will allow users to input specific scenarios by agency, program, and county, resulting in a calculation of lost wages and spending.

I am grateful for the partnership of the Smith School in working on this ambitious and important project. My hope is that stakeholders from across Maryland,



Brooke E. Lierman
Comptroller of Maryland

including state and county finance officials, business leaders, and the general public can use these resources to plan ahead, support those most directly impacted by cuts, and develop strategies for growing a more resilient, diverse, and inclusive economy in Maryland.

Maryland is a state with incredible assets and entrepreneurial people. I am optimistic that our state, buoyed by our educational institutions, local and state leaders, and other important industries, has the wherewithal, determination, and talent to weather the forecasted economic storm brought on by the Trump Administration and emerge in a stronger position for the long term. I look forward to being a partner in our economic transformation and hope this initial report helps contribute to the dialogue.



LETTER FROM THE DEAN

We are honored and enthusiastic to announce our collaboration with the Office of the Comptroller, bringing together the expertise of distinguished faculty and talented students in this impactful joint initiative. We thank the Comptroller for the opportunity to bring the school's expertise to inform policy decisions.

The University of Maryland's Robert H. Smith School of Business is renowned globally for its cutting-edge research, globally influential thought leadership, exceptional talent development, and commitment to fostering entrepreneurship. The Smith School is recognized as a leading global research institution with 24 tenured faculty members among the world's top 2% most-cited, influential scholars.

As an integral component of a premier land-grant university, our mission is to generate research that assists policymakers, accelerates economic development, and strategically addresses the most pressing business challenges facing Maryland today. At the core of our vision lies an unwavering commitment to workforce development and the promotion of business excellence, driven by our fundamental belief that the economic vitality of Maryland is a shared responsibility.

Three of our faculty, Professors Liu Yang, associate professor of finance and founding Executive Director of the Federal Statistical Research Data

Center at the University of Maryland, Vojislav Maksimovic, William A. Longbrake Chair in Finance, and Kislaya Prasad, research professor and Academic Director of Smith's Center for Global Business worked collaboratively with the Comptroller's office and provided exemplary leadership. While Prasad helped organize the collaboration, Yang and Maksimovic guided a dedicated team of eight graduate students from our acclaimed Master of Finance program to comprehensively analyze federal spending's profound economic influence within Maryland and adjacent regions.

Throughout this project, this research team integrated highly granular, publicly accessible data from USASpending.gov, identifying critical patterns in federal grants, contracts, and direct payments over the past two decades. Using federal employment data sourced from the U.S. Office of Personnel Management, the students also assessed the extensive participation of Maryland residents within federal government employment. Their rigorous analyses with historical trends and detailed patterns, culminated in the insightful and informative results provided in their report.

Building upon their foundational work, four exceptional students now serve as research assistants advancing Phase 2 of this ambitious endeavor. Their current research focuses on developing sophisticated predictive models to

evaluate the economic implications of potential shifts in federal spending.

Concurrently, the team is creating an intuitive digital interface, specifically designed for policymakers and public stakeholders to visualize and understand the cascading impacts of federal funding variations at both state and county levels. We firmly believe that this innovative interface will significantly enhance the capabilities of the Office of the Comptroller and other governmental

entities, providing a replicable framework beneficial nationwide.

By harnessing our extensive academic resources and scholarly expertise, we are delighted to contribute actionable intelligence that equips policymakers to serve constituents more effectively, manage risk, and strategically plan initiatives that substantially improve community welfare and economic resilience.

A handwritten signature in black ink, appearing to read 'Prabhudev Konana', enclosed within a circular scribble.

Prabhudev Konana

Dean and Professor of Information Systems
University of Maryland Robert H. Smith School of Business

EXECUTIVE SUMMARY

The federal government is an economic engine for the State of Maryland and a driver of the state's employment growth. Maryland is home to 14 major military installations and more than 60 federal agency offices that provide critical infrastructure for the nation's defense, health, and economic security. These facilities include U.S. Cyber Command at Fort Meade, biomedical research labs at Fort Detrick, the U.S. Naval Academy, and headquarters for the Food and Drug Administration (FDA), National Institutes of Health (NIH), National Oceanic and Atmospheric Administration (NOAA), and Social Security Administration (SSA). In addition, some of the largest federal contractors in the U.S. are headquartered in Maryland or have major operations in the state, including Lockheed Martin, Johns Hopkins University, Northrop Grumman, and Leidos.

In the most recent annual data, the federal government directed \$150.2 billion to the State of Maryland through federal wage and retirement income, contracts, grants, and direct payment spending (see **Figure 1**). The federal government's impact in Maryland includes the following:

- An estimated 229,000 Maryland residents are employed by the federal government in the defense and non-defense civilian workforce (not including active-duty service members) and have combined annual earnings of \$26.9 billion. Federal jobs located in Maryland represent 6% of the state's overall employment and 10% of overall wages.¹
- About 153,000 Maryland households receive federal retirement income, totaling \$8.8 billion annually.²
- Federal agencies award an estimated \$46.2 billion annually in contracts for work to be performed in the state that supports thousands of Maryland-based firms³ and represents about 10% of Maryland's Gross Domestic Product (GDP).
- Federal spending through grants to state and local governments and nonprofit organizations; and direct payments to individuals and businesses, including Social Security, veterans benefits, and other financial assistance and subsidies, total about \$68.5 billion per year.⁴

**Figure 1: Federal Government Investments in Maryland
(Tax Year 2023, Federal Fiscal Year 2024)**

Category	Dollars (billions)
Federal Employee Wage Income	\$ 26.9
Federal Employee Retirement Income	8.8
Federal Contracts	46.2
Federal Grants	30.6
Federal Direct Spending	37.7
Total	\$ 150.2

Sources: USA Spending; Comptroller of Maryland

Maryland is ranked 18th in the U.S. for population size, yet has the third most federal government jobs, behind Washington, D.C. and Virginia; the second-highest average earnings for federal employees, just behind Washington, D.C.; and is ranked fifth for federal defense spending, behind Texas, Virginia, California, and Florida.^{5,6,7}

For years, this outsized federal presence has fostered a beneficial, symbiotic relationship between federal agencies and Maryland institutions and firms. For example, Maryland’s universities serve as feeders for scientists and national security analysts. These jobs have been stable, while also well-paying and important contributors to American innovation. Additionally, Maryland-based companies and nonprofit organizations have served as valuable partners to the federal government for the provision of goods and services and the delivery of federal programs at the local, national, and international levels. The long-standing economic partnership between Maryland and the federal government is now at significant risk under the Trump Administration.

The Trump Administration’s sweeping cuts to federal spending and jobs will have a damaging effect on the state’s economy. The last time the federal government instituted massive and sudden spending reductions was over a decade ago under what was known as Sequestration when Maryland lost about 8,000 federal jobs in 2013-14.⁸ In March and April of this year alone, Maryland lost an estimated 5,300 federal government jobs.⁹

This report is the first output of a joint project between the Office of the Comptroller of Maryland and the University of Maryland Robert H. Smith School of Business to quantify the economic impact of federal government spending and employment in Maryland; and to measure the direct impacts of job losses and funding reductions resulting from completed, planned, or potential Trump Administration actions. The next output of this project will be a second report featuring scenario analysis case studies that will estimate the direct financial impacts of federal actions on Maryland’s economy, including the proposed fiscal year 2026 budget and already enacted cuts to agencies. The final output will be an interactive tool that allows users to input specific scenarios by agency, program, and county, resulting in a calculation of lost wages and spending.

This research and forthcoming tool are intended to assist state and local decision makers in developing current and out-year budgets, as well as forecasting revenues. The project is also intended to help inform the public about the federal government's economic impact on Maryland and explain how any future drastic cuts might affect residents, workers, businesses, and communities across the state.

To prepare for federal government spending reductions, the state must first quantify current levels of federal spending and understand the economic impact of the federal government in Maryland. That understanding will then help the state prepare and pivot to relying less on the federal government and apply resources and focus on other areas of growth and emerging industries in the private sector. This project, including the two reports and interactive tool, focuses on the first half of this equation: what the federal government has meant and still means to Maryland's economy.

Data Sources And Methodology

This report analyzes government data from 2015 to 2024, with a focus on the most recent available fiscal or calendar year. The report measures the “baseline” impact of the federal government on Maryland’s economy prior to Trump Administration actions beginning in February 2025. The report focuses on four areas of spending.

- **Federal Employment & Retirement Income:** this category covers federal jobs located in Maryland or held by Maryland residents, and wages from those jobs. The report utilizes multiple data sets that represent estimates and contain some variation, including the following:
 - **Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW)** provides employment and wage data by state and county geography.
 - **U.S. Office of Personnel Management (OPM) FedScope** provides employment and wage data at the agency level.
 - **U.S. Census Bureau Longitudinal Employer-Household Dynamics (LEHD) Origin-Destination Employment Statistics (LODES)** data provides employment data based on job location and resident location at the census tract level.
 - **Comptroller of Maryland W2 and 1099R income tax returns** provides aggregated wage and retirement income data at the state and county levels.
 - **Qualitative data** from roundtable conversations with federal workers who are no longer actively reporting to work due to involuntary administrative leave, termination, or reduction in force actions by the Trump Administration.
- **Federal Contracts:** this category represents the federal government's procurement of goods and services with private sector firms for projects that are fully or primarily performed in Maryland. The primary data source for this analysis is USAspending.gov.
- **Federal Grants:** this category represents financial assistance awards to state and local governments, and nonprofit or non-governmental organizations. The primary data source for this analysis is USAspending.gov.
- **Federal Direct Payments:** this category encompasses payments to individuals or businesses for restricted or unrestricted uses, such as subsidies to farmers, unemployment benefits to individuals, and payments to individuals for Medicare and Social Security. The primary data source for this analysis is USAspending.gov.

Note that grant, contract, and direct payment data are presented as awards or obligations and represent the federal government’s financial commitments, rather than amounts spent or disbursed. Similar methodologies were used in the [Consolidated Federal Funds Report \(CFFR\)](#) for Fiscal Year 2010, published by the Census Bureau. This is the latest CFFR report before the program that produced the report and datasets was eliminated in 2012.

The sections of this report are organized by federal spending category and spending is presented at the state, county, and federal agency levels.

FEDERAL EMPLOYMENT IN MARYLAND

Federal government jobs have helped build and sustain a thriving middle class in Maryland. The state's median household income of \$102,000 ranked third highest in the country as of 2023 (the most recent full year of data).¹⁰ Charles County is now the wealthiest majority Black county in the nation, recently surpassing Prince George's County,¹¹ and largely driven by federal government income, where 29% of adjusted gross income comes from federal government wages and retirement – the highest share of any Maryland county.¹²

Summary of Federal Employment

Maryland is home to the third most federal government civilian jobs, behind only Washington, D.C. and Virginia. Nearly 6% of jobs in Maryland are civilian federal government positions compared to just under 2% for the share of federal jobs nationwide. And federal jobs in Maryland are high paying, representing 10% of all wages in the state.¹³

There are key caveats to consider when measuring federal government employment. First, there are two ways to measure federal employment: (1) the number of federal jobs physically located in Maryland and held by workers who live in Maryland and other states; and (2) the number of Maryland residents who work for the federal government in jobs that are located in Maryland, Virginia, Washington, D.C, or another state. Each measure is important to understand, but they have different implications for the state's economy. Most notably, state income tax payments are based on where workers live, not where their jobs are located. However, the physical location of jobs plays a key role in supporting the local economy, particularly sectors such as retail, hospitality, and food services. There are more Marylanders who work in federal government jobs (estimated 229,000) than there are federal government jobs located in Maryland (estimated 160,000).

The second caveat is that different federal data sources report different numbers for federal government civilian employment. One of the data sources, FedScope, which is a database managed by the U.S. Office of Personnel Management (OPM) provides specific employment and wage data at the federal agency level, but tends to undercount overall federal government employment because it excludes workers who are paid directly by the federal government with revenues that are earned by the individual federal agency rather than by funds appropriated by Congress. Examples of these “non-appropriated personnel” are cafeteria and child care workers employed in federal buildings or facilities.

The Quarterly Census of Employment and Wages (QCEW) produced by the Bureau of Labor Statistics (BLS) counts these non-appropriated personnel but does not provide agency-level employment data like the OPM data.

In both cases, these datasets undercount overall federal government employment because neither source captures certain classified positions at intelligence agencies such as the National Security Agency (NSA) or the Defense Intelligence Agency (DIA), both of which have a large presence and many jobs located in Maryland. Also important to note, all job figures include civilian jobs, only. Active-duty military personnel (full-time and part-time) are not included in the data. Finally, this jobs data does not include the thousands of contract workers and other non-employee workers employed within federal government agencies.

According to the OPM-FedScope data, there were 143,694 federal government jobs located in Maryland in 2024 with an average wage of \$128,000. The QCEW data reports 158,475 federal government jobs in Maryland in 2023 with an average wage of \$126,468. (Note that 2023 data is used for QCEW because, as of this writing, Q4 2024 data has not been released, meaning that 2024 QCEW annualized data estimates are incomplete.)

Figure 2 lists the top agencies for federal government civilian jobs located in Maryland. The Department of Defense (DoD) has 45,139 civilian jobs spread across the state’s 14 major military installations and other facilities, representing 32% of all federal jobs in the state. The Department of Health and Human Services (HHS) has 40,110 federal jobs located in Maryland, representing about half of the agency’s overall workforce of 82,000 jobs (pre Trump Administration cuts). HHS headquarters for the Food and Drug Administration, National Institutes of Health, and Center for Medicare and Medicaid Services are all in Maryland.

Figure 2: Top 10 Federal Agencies in Maryland by Employment (FFY 2023)

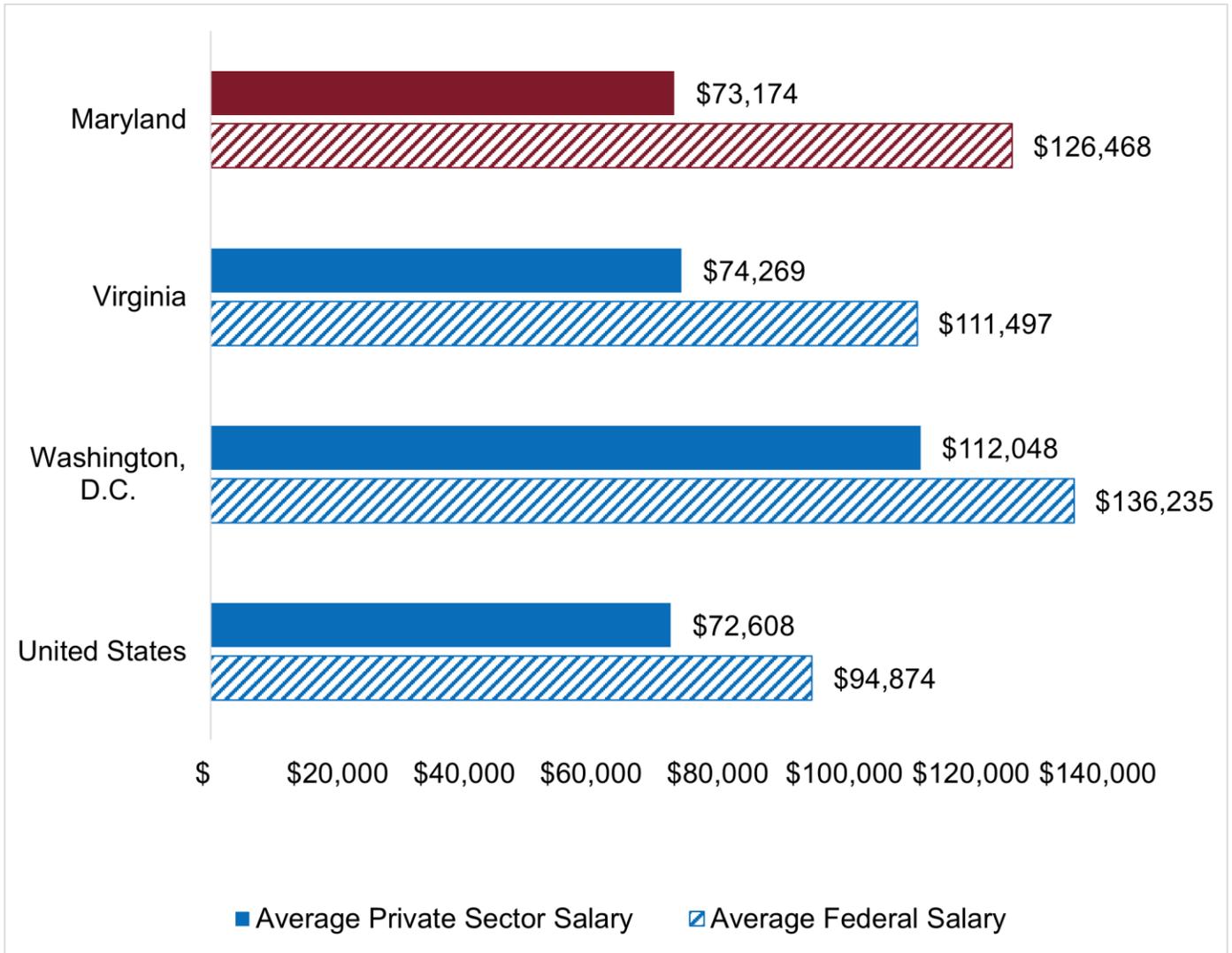
Agency	Employment	Wage Income
DoD	45,139	\$ 5,405,684,512
HHS	40,110	5,590,372,352
Commerce	13,438	1,783,645,824
SSA	10,307	1,126,518,272
VA	6,282	649,419,776
Treasury	5,466	703,164,736
DHS	4,527	490,572,704
USDA	3,361	399,054,464
NASA	3,084	464,441,152
NRC	1,800	270,545,152

Source: Office of Personnel Management

Note: See [Appendix B](#) for full list of agency names

The average wage for federal government jobs in Maryland is high compared to private sector jobs in Maryland and to all federal government jobs in the U.S. **Figure 3** compares average federal government salaries with average private sector salaries in Maryland, Washington D.C, Virginia, and nationwide. Federal government jobs located in Maryland have the second-highest average wage at \$126,468 behind federal jobs located in Washington, D.C. Maryland has the largest difference between federal and private sector salaries (\$53,294).

**Figure 3: Average Federal Government (Civilian) and Private Sector Salaries
(Calendar Year 2023)**

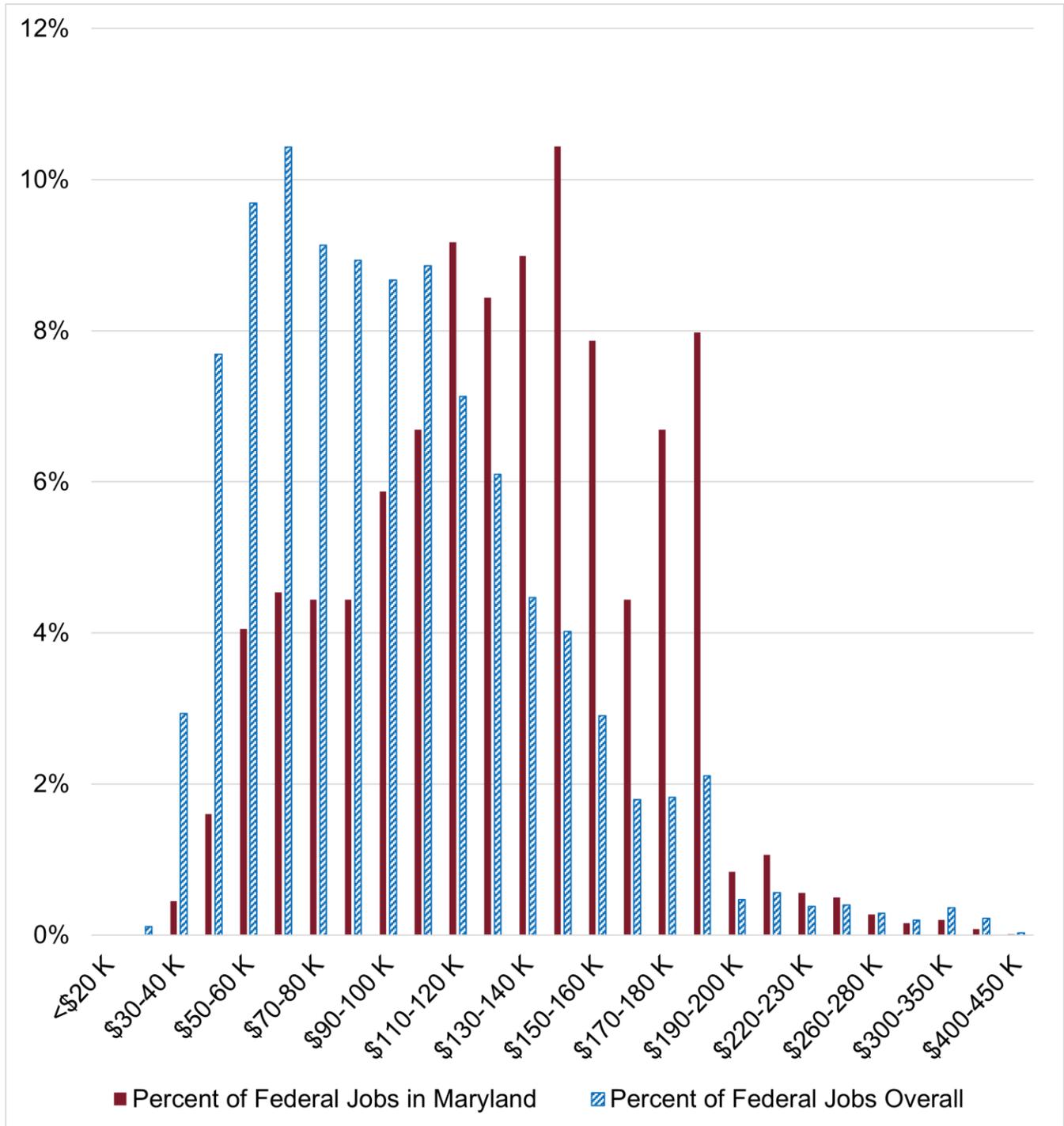


Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

[View as Table](#)

Figure 4 presents the wage distribution of federal government jobs located in Maryland compared with the wage distribution of all federal government jobs nationally. Federal jobs in Maryland have higher salaries, with 75% paying more than \$100,000, compared to 42% of all U.S. federal government jobs.

Figure 4: Salary Distribution for Federal Jobs Located in Maryland vs U.S. (FFY 2023)

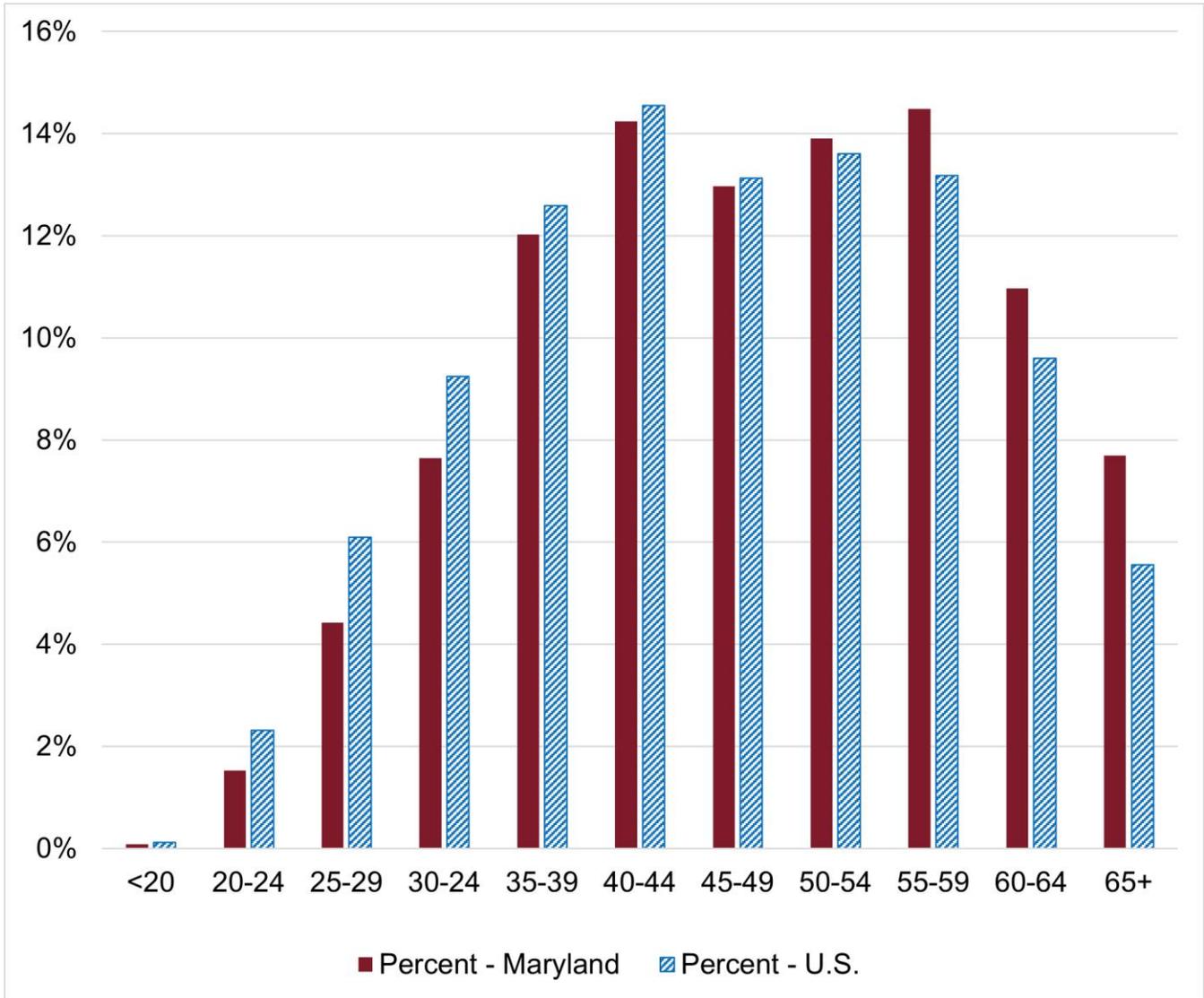


Source: Office of Personnel Management

[View as Table](#)

Figures 5 and 6 present the age distributions and education levels of federal government employees whose jobs are located in Maryland compared to all federal government employees across the U.S. Federal employees with jobs in Maryland are older than all federal employees across the U.S. One-third (33.2%) of Maryland’s federal employees are 55 years and older, compared to 28.4% of all federal employees in the U.S. Federal employees whose jobs are located in Maryland have significantly higher educational attainment levels compared to federal employees nationally, with 67% of federal workers in Maryland possessing a bachelor’s degree or higher. Nationally, 52% of the federal workforce has at least a bachelor’s degree.

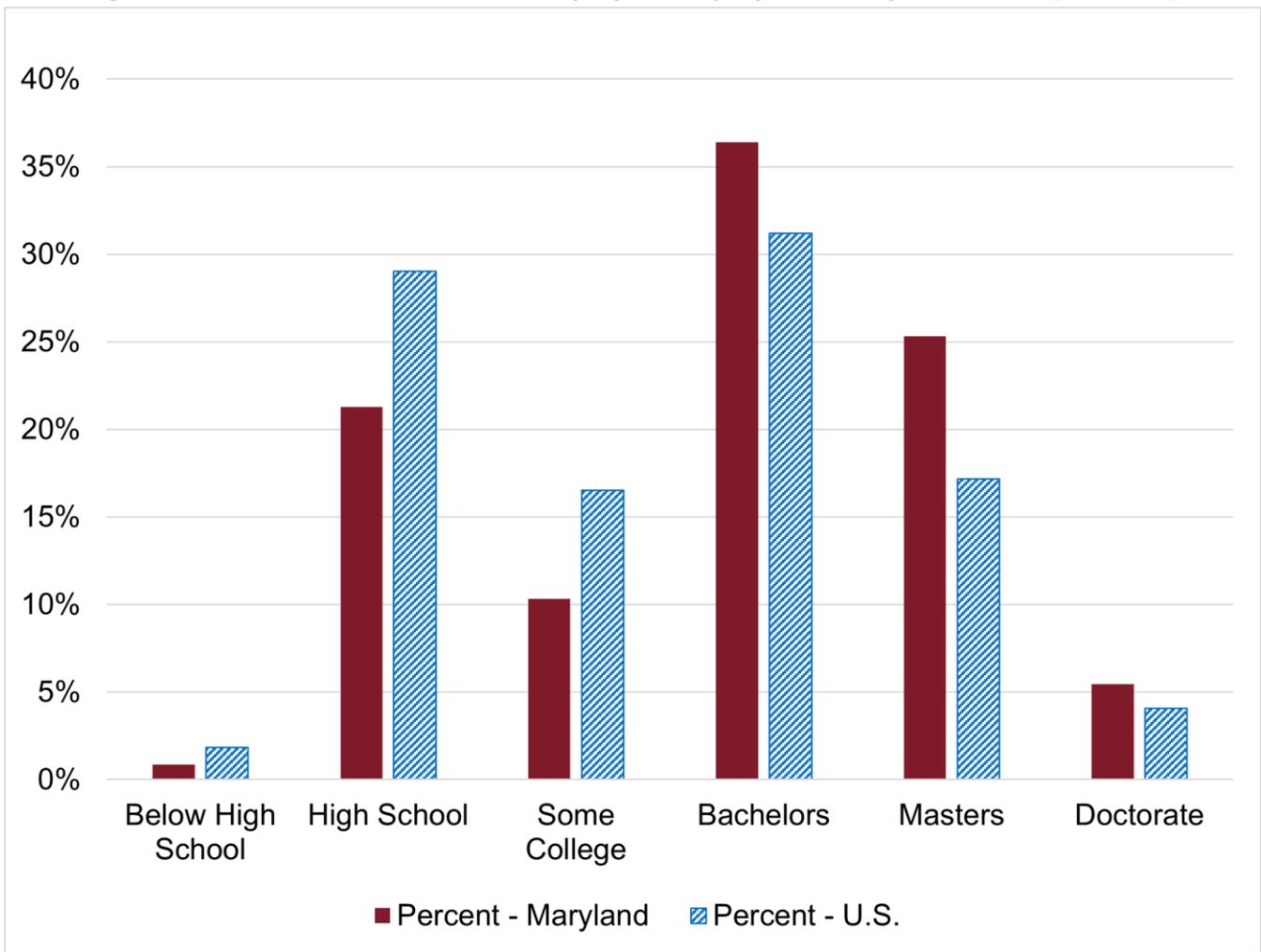
Figure 5: Age Distribution of Federal Employees Employed in Maryland vs U.S. (FFY 2023)



Source: Office of Personnel Management

[View as Table](#)

Figure 6: Education Level of Federal Employees Employed in Maryland vs U.S. (FFY 2023)

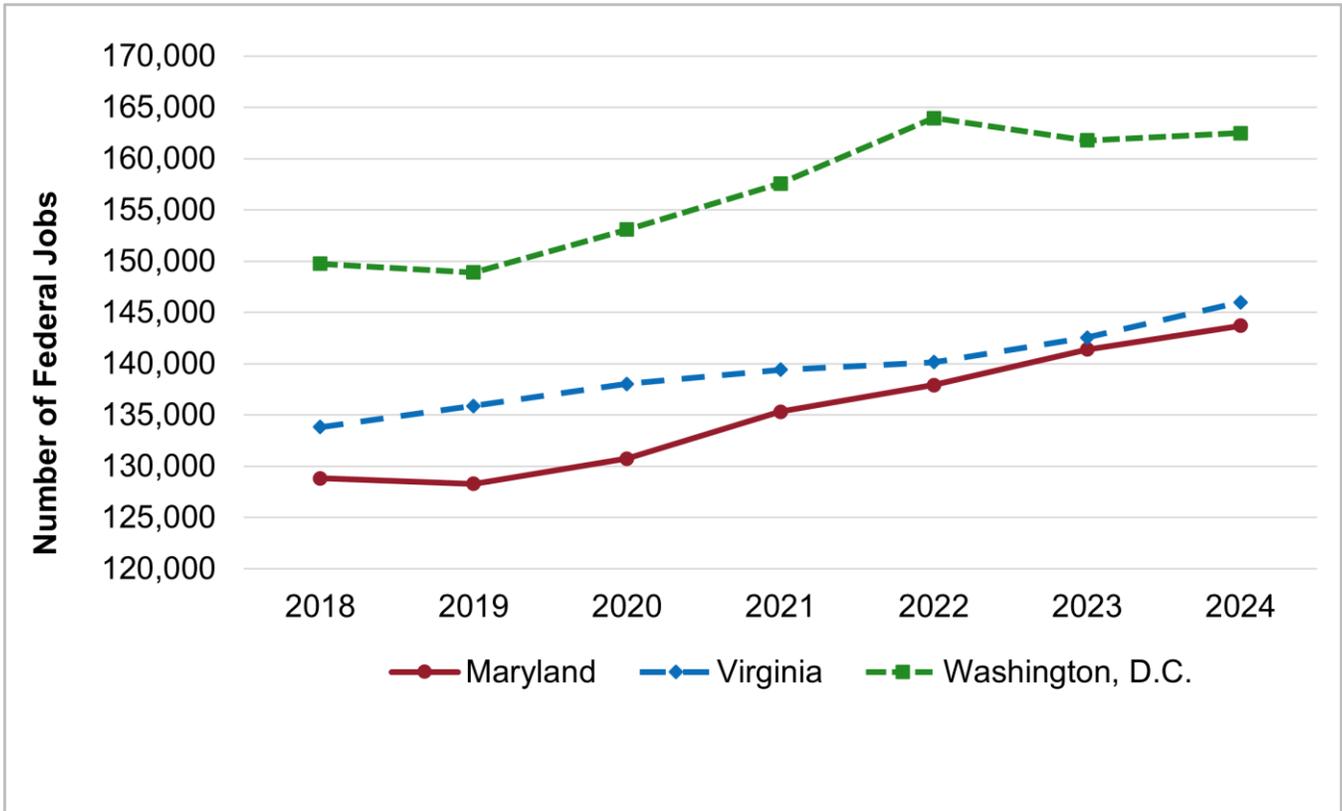


Source: Office of Personnel Management

[View as Table](#)

Federal job growth has been an economic boon for Maryland in recent years. While overall job growth in Maryland has increased by just over 1% since 2018, federal jobs in Maryland have grown by more than 11% since 2018. **Figure 7** presents federal government job growth between 2018 and 2024 for Maryland, Washington, D.C, and Virginia. Federal employment in Maryland increased the most, by 11.5%, from 128,800 to 143,700 jobs. This growth rate surpasses that of Virginia (9.1%) and Washington, D.C. (8.5%).

Figure 7: Federal Employment in Maryland, Virginia, and Washington, D.C. (FFY 2018 - 2024)



Source: Office of Personnel Management

[View as Table](#)

Job-based vs. Residence-based Federal Employment

Given that Maryland, Washington D.C, and Northern Virginia are parts of a shared region, estimating the impact of federal employment on Maryland’s economy must also consider the number of federal government employees who live in Maryland but report to a job located in Washington, D.C. or Virginia.

This section estimates the relationship between work and residence in Maryland, Washington D.C., and Northern Virginia. First, the research team conducted an analysis of mobility patterns using the LEHD Origin-Destination Employment Statistics (LODES) dataset. LODES is a product of the U.S. Census Bureau that provides data on the number of individuals commuting between their home and work locations. While the U.S. Census Bureau provides mobility patterns at the census block level, the analysis here aggregates the data at the state and county levels. The research team used the aggregated counts to construct a spatial mobility matrix to estimate the mobility of workers across the region.

Using the work-residence mobility patterns, the researchers estimate that Maryland residents hold 81% of the federal government jobs located in Maryland, 41% of federal jobs located in Washington, D.C, and 12% of federal jobs located in Virginia.

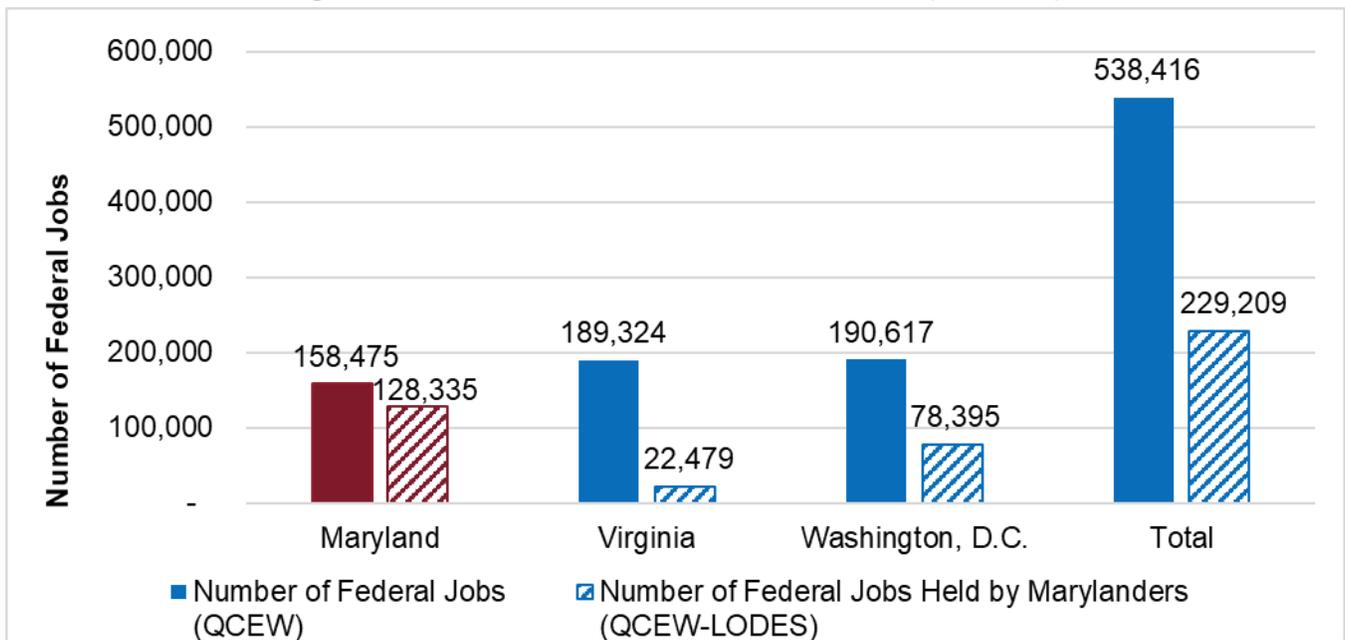
When these ratios from the mobility matrix are then applied to federal employment data collected from the QCEW for Maryland, Washington, D.C, and Virginia, the results are that an estimated 229,209 federal workers across the region live in Maryland. Marylanders hold 43% of all federal jobs in the region (229,209 out of 538,416). See **Figures 8** and **9**.

Figure 8: Location of Federal Jobs and Residents (FFY 2023)

State	Number of Federal Jobs (QCEW)	Number of Federal Jobs Held by Marylanders (QCEW-LODES)	Percent of Federal Jobs Held by Marylanders
Maryland	158,475	128,335	81%
Virginia	189,324	22,479	12%
Washington, D.C.	190,617	78,395	41%
Total	538,416	229,209	

Sources: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW); Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES)

Figure 9: Location of Federal Jobs and Residents (FFY 2023)



Sources: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW); Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES)

[View as Table](#)

Another way to measure the number of federal employees who live in Maryland is to review state administrative tax data. Based on a review of W-2 tax data by the Comptroller’s Office, 251,609 households totaling 269,448 individual W-2s reported wage income from the federal government in tax year 2023. This figure is an overcount of the annualized, average number of federal employees (per OPM and QCEW) because it includes anyone who drew income from the federal government at any point during the tax year. It also includes more than one person occupying the same position at different points in the year.

While the W-2 data overcounts the number of federal government employees residing in Maryland, it provides an accurate analysis of the amount of wage income from the federal government received by Marylanders. Across the 251,609 households (and 269,448 individuals), the total amount of income received was \$26.9 billion, representing about 9.2% of the total adjusted gross income received by Marylanders in 2023.

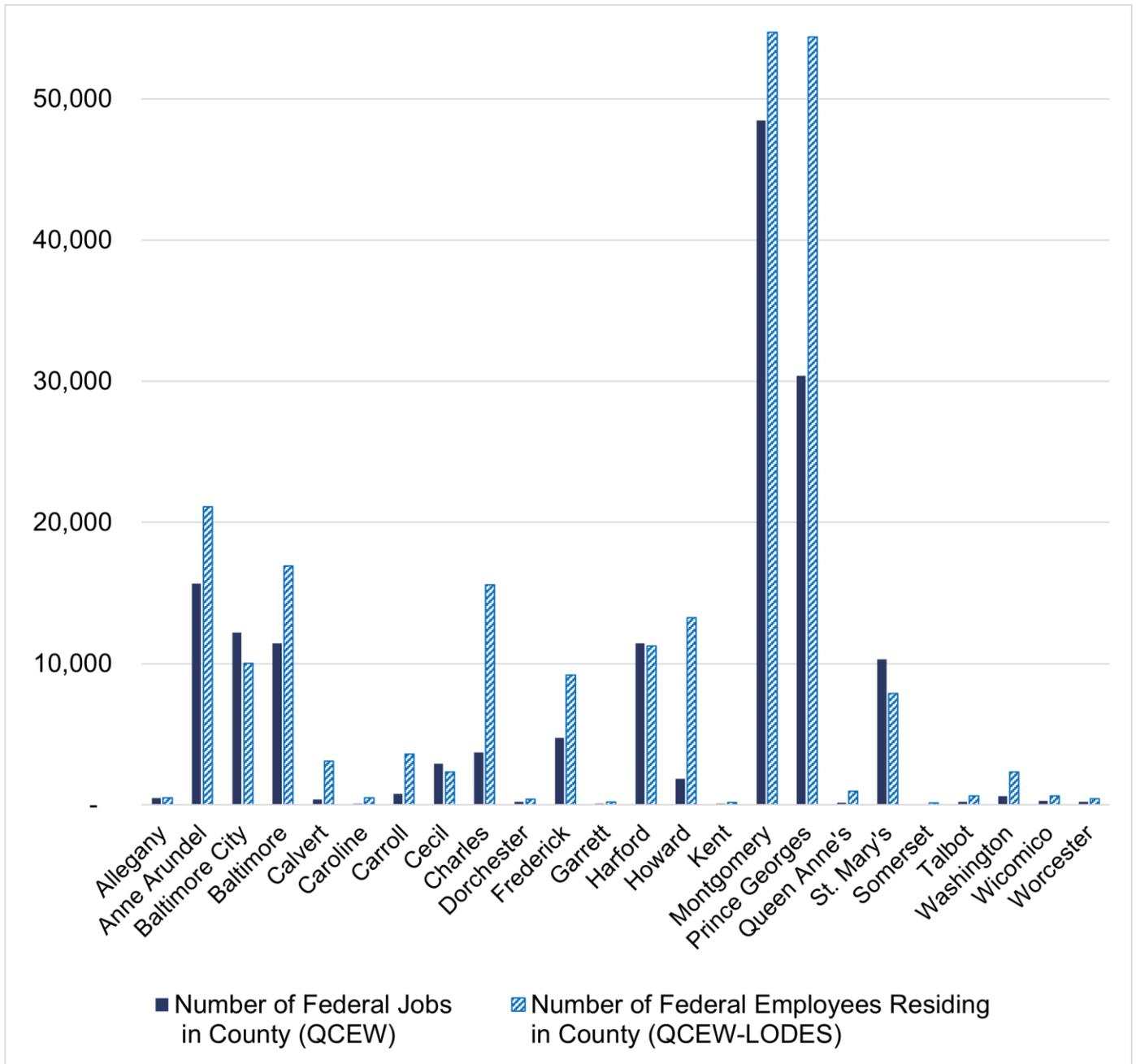
Additionally, tax data showed that 152,597 Maryland households with 164,551 individuals received retirement income from the federal government in tax year 2023, totaling \$8.8 billion.

County-level Analysis of Federal Employees Living in Maryland

To estimate the number of federal employees living in Maryland by county, the researchers combined the QCEW county-level data and the mobility matrix computed using the LODES data. **Figure 10** presents estimates from both sources, comparing the number of federal jobs located in each county (QCEW/solid dark blue bars) with the number of federal workers residing in each county (QCEW-LODES/diagonal white and blue bars).

It is notable that while there are nearly 20,000 more federal government jobs in Montgomery County than Prince George's County, there are approximately 54,000 federal government employees who live in each county. Charles and Howard Counties both have over 11,000 more federal employee residents than federal jobs located in those counties. Anne Arundel, Baltimore, and Frederick Counties also each have significantly more federal employees living in their counties than federal jobs located in those counties. With the exception of Baltimore City, Cecil, Harford County, and St. Mary's County, there are more federal government residents than federal government jobs in all of Maryland's counties, indicating that many federal employees commute outside of their home jurisdictions for work. This pattern may also indicate the prevalence of hybrid work schedules among federal employees.

Figure 10: Location of Federal Jobs and Federal Employees in Maryland Counties (FFY 2023)

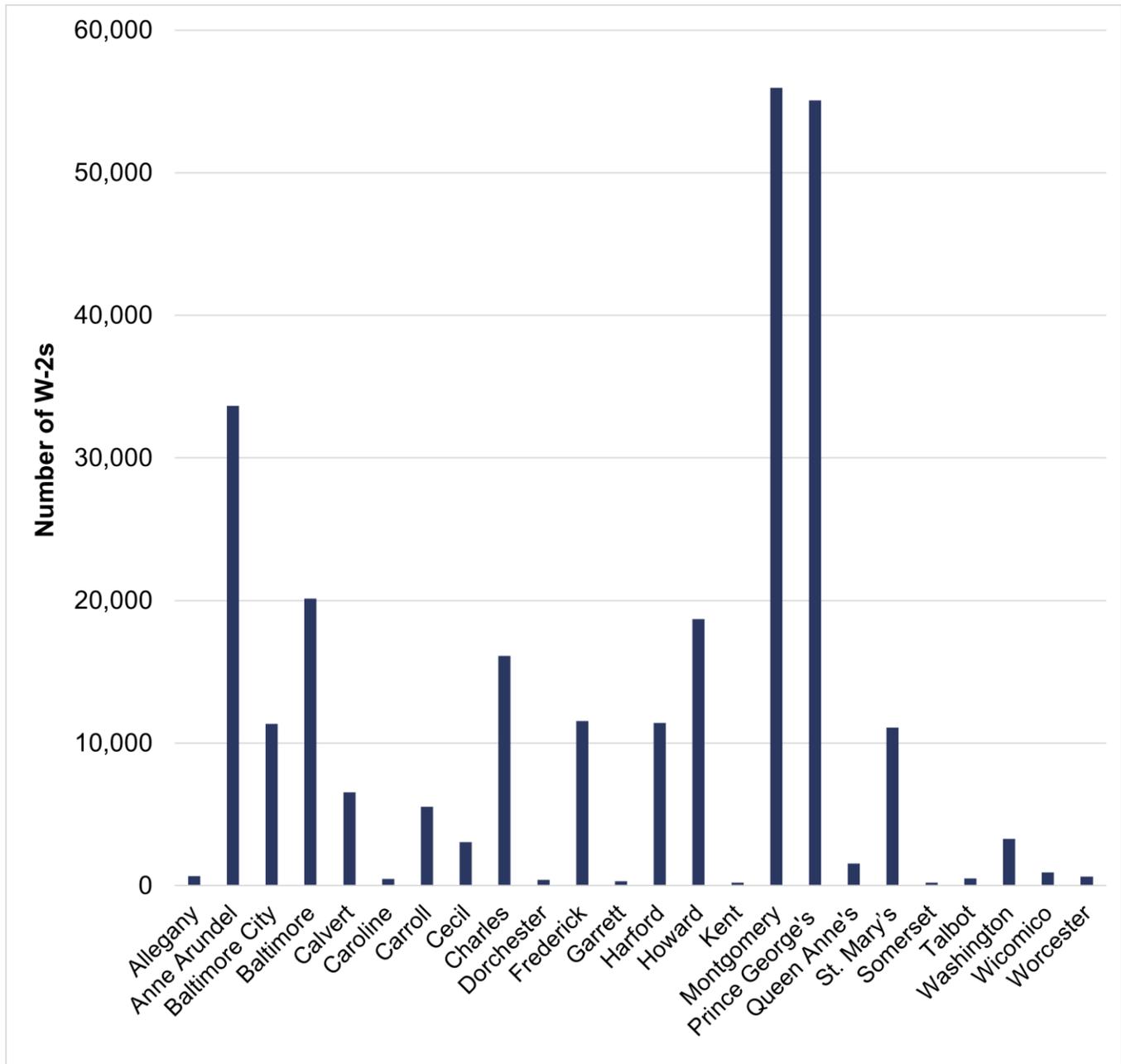


Sources: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW); Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES)

[View as Table](#)

The W-2 dataset of Maryland taxpayers who worked for the federal government at any point during the year can also be organized by county. **Figure 11** presents a county breakdown of individual W-2s issued by the federal government. The distribution of federal W-2s is similar to the distribution of federal government employees by county of residence in **Figure 10**. Anne Arundel and Baltimore Counties have significantly more W-2s issued than federal employees living in those counties. Further analysis is required to determine the likely reasons for this mismatch, which could be the result of data limitations or potentially higher job turnover in those counties.

Figure 11: W-2s Issued by the Federal Government in Maryland Counties (TY 2023)

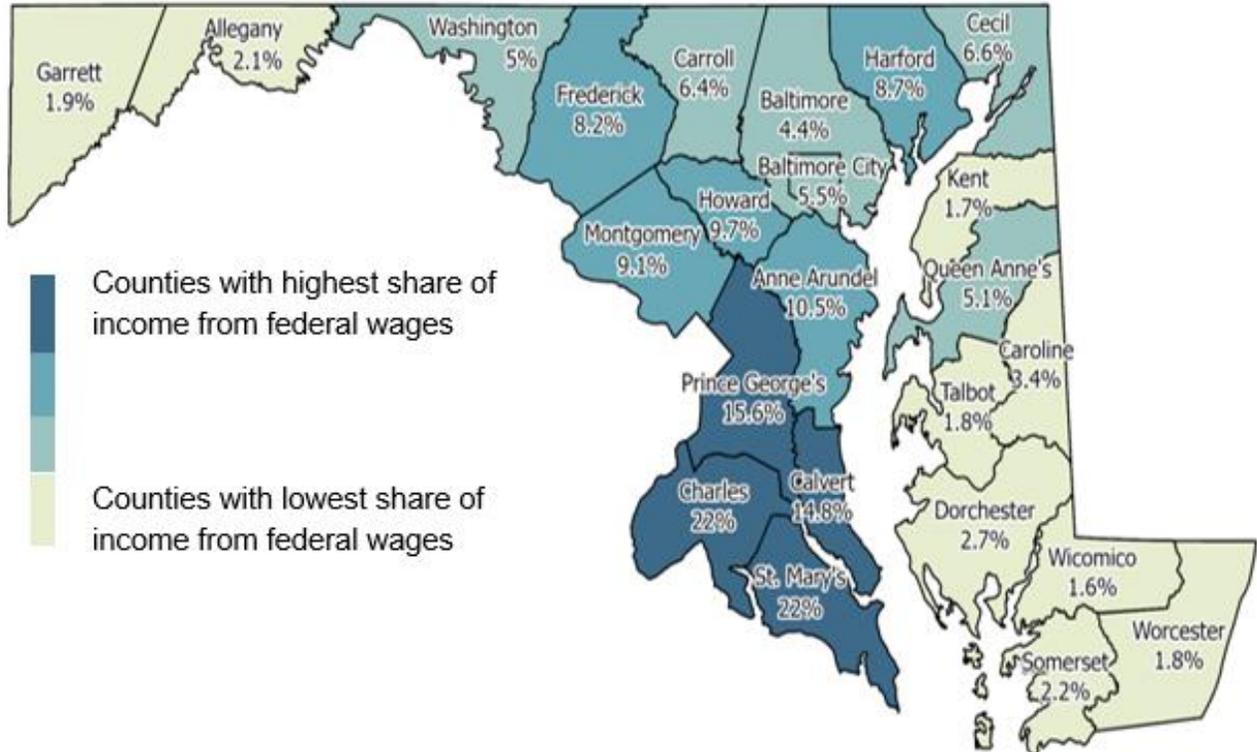


Source: Comptroller of Maryland

[View as Table](#)

Looking at the W-2 income data by county for Maryland residents who were employed by the federal government during the 2023 tax year, indicates four counties – Calvert, Charles, Prince George’s, and St. Mary’s – where the share of total adjusted gross income for the county from federal wages was 15% or greater. See **Figure 12**.

Figure 12: Share of Gross Income from Federal Wages by County (TY 2023)



Source: Comptroller of Maryland

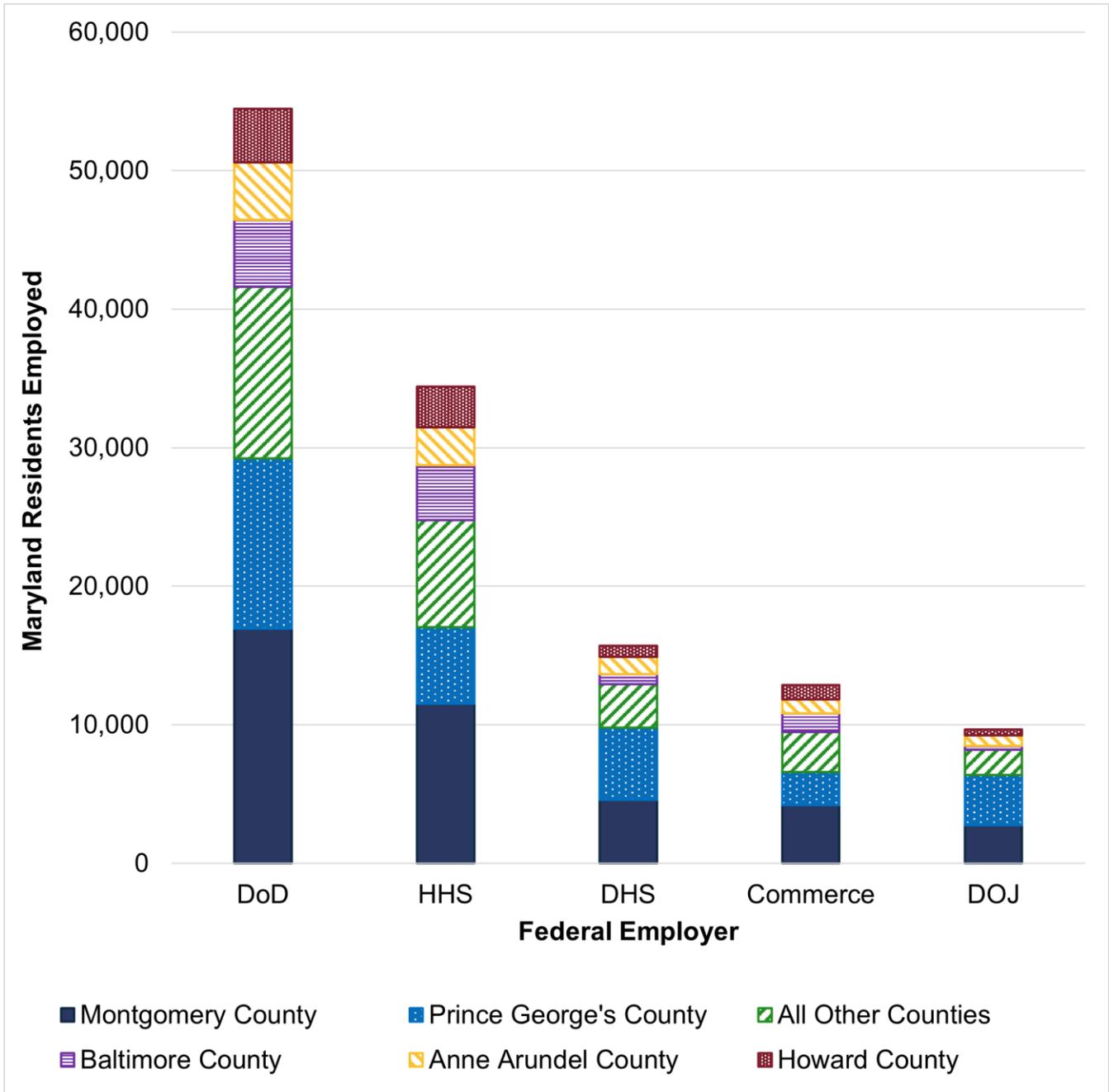
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Agency-level Analysis

The agency level employment dataset, OPM’s FedScope, in combination with the LODES dataset was used to estimate the number of employees for each agency based on their county of residence. **Figure 13** lists the top five federal agencies in Maryland based on the number of employees living in Maryland. **Figure 14** highlights the top five counties where Maryland federal government employees live, broken down by the top five federal agencies where Marylanders work.

The analysis indicates that the top agencies where Marylanders are employed are DoD, HHS, Department of Homeland Security (DHS), Department of Commerce (Commerce), and the Department of Justice (DOJ) (**Figure 13**). DOJ is among the top five agencies based on where Marylanders work, but is not in the top 10 agencies for jobs located in Maryland (**Figure 2**). DoD, HHS, DHS, Commerce, and DOJ are also the agencies where employees living in each county with the highest concentration of federal employees (Montgomery, Prince George’s, Baltimore, Anne Arundel, and Howard) are most likely to work (see **Figure 14**).

**Figure 13: Federal Agencies that Employ the Most Marylanders by County of Residence
(Top 5 Agencies, FFY 2023)**

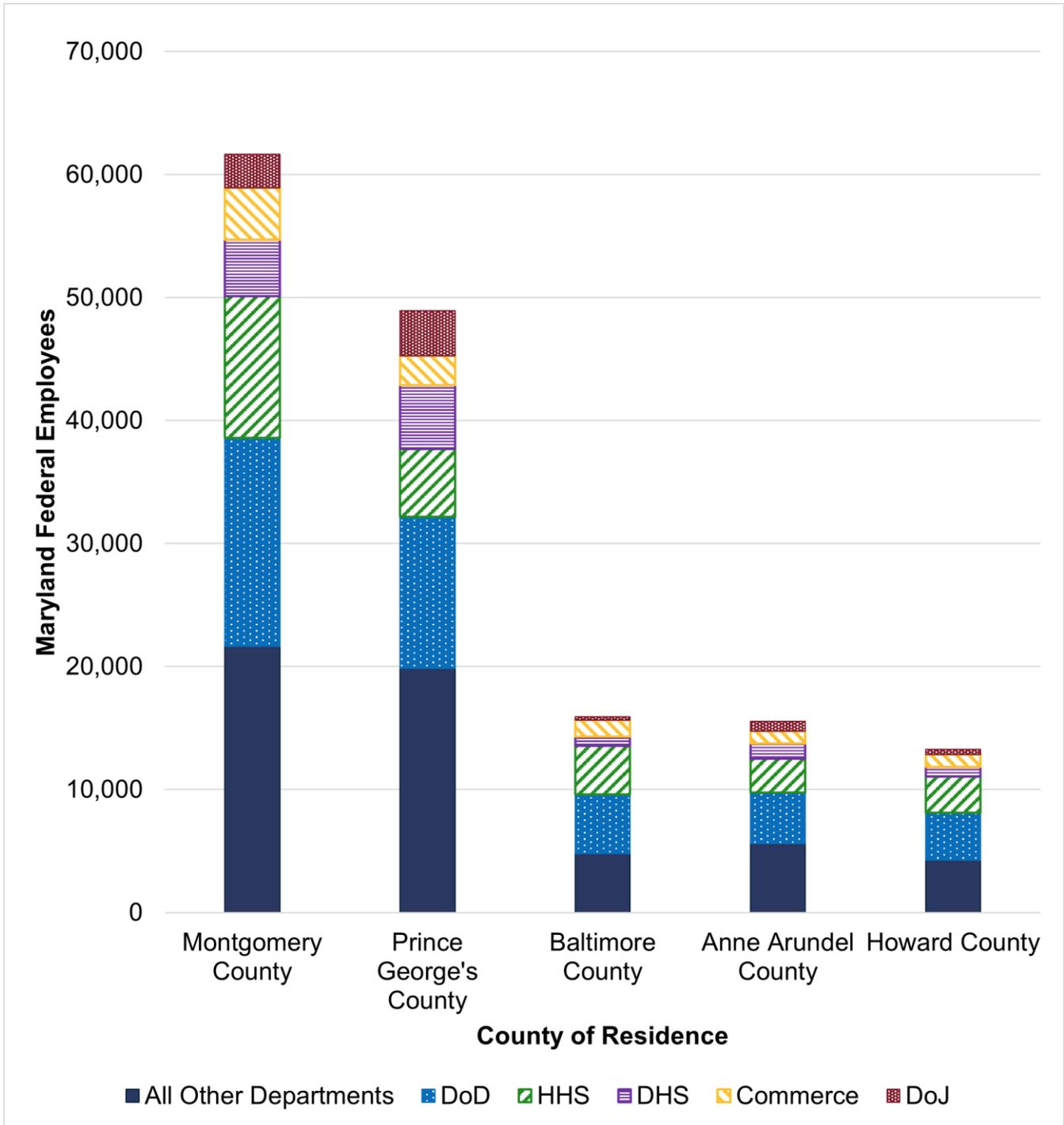


Sources: Office of Personnel Management; Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES)

Note: See Appendix B for full list of agency names

[View as Table](#)

**Figure 14: County Residence of Maryland Federal Employees by Agency Employers
(Top 5 Counties, FFY 2023)**



Sources: Office of Personnel Management; Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES)

Note: See Appendix B for full list of agency names

[View as Table](#)

Federal Worker Roundtables

To supplement the quantitative data analyzed for this report, the project team spoke with federal workers not actively working due to recent Trump Administration personnel actions affecting their job status, including administrative leave, reductions in force, or terminations. In March and June, the team held virtual roundtables with individuals most recently employed by EPA, HHS, SBA, Treasury, and USAID. The participants were residents of Anne Arundel, Baltimore, Howard, Montgomery, and Prince George's Counties, as well as Baltimore City.¹⁴

The purpose of these conversations was to learn about the plans of a sample of federal employees living in Maryland relating to employment and residency. Workers who participated in the roundtables were educated professionals and included scientists, auditors, and international aid workers at different stages in their careers from newly employed federal workers to long-term employees. They expressed uncertainty and pessimism about future job prospects due to competition with other former federal workers, a mismatch of skills for open jobs, and anticipated contraction in other industries aligned with their interest in mission-oriented work (nonprofits, academia, state and local government). The majority of participants had strong ties to Maryland and most planned on staying in Maryland.

All participants said they would look for new work, except for one person who planned to retire and another who had enough savings to take time off. Participants looking for work expressed the need for income and employment to support children, maintain health insurance and benefits, and to afford housing and other expenses. Most were bracing for a long and challenging job search and expected to take a pay cut of 10-25% due to the relatively higher pay of federal jobs compared with similar roles in nonprofits or state and local government.

Workers expressed degrees of sadness because they were passionate about their work and the service they provided to the public. Most said they would return to their old job if reinstated, though some were hesitant to trust the Trump Administration and their job security, given recent events.

Conclusion

For decades, the federal government has been a vital employer and partner in Maryland, helping to attract and retain a highly skilled, educated workforce whose contributions are deeply embedded in the state's economy and communities. While federal jobs will remain important, the scale of the anticipated cuts calls for a coordinated effort by leaders across the public and private sectors to redirect this talent to other areas, including the private sector and state and local government.

FEDERAL CONTRACT, GRANT, DIRECT PAYMENT SPENDING IN MARYLAND

Every state in the country has a degree of reliance on federal spending to support their budgets and economies. Unlike employment, Maryland is not disproportionately reliant on federal spending compared to other states. Maryland ranks 13th among all states for federal spending per capita. However, there are areas of federal spending, notably HHS and DoD contracts that have an outsized impact in Maryland and have played a critical role in launching, growing, and attracting Maryland companies. Overall, Maryland ranks 3rd among all states for contract spending per capita, behind Washington, D.C. and Virginia.¹⁵

Federal government expenditures and obligations in Maryland in the form of contracts, grants, and direct payments totaled \$114.5 billion in FFY 2024. Contracts account for 40% of total federal spending, followed by 33% direct payments, and 27% grants. See **Figure 15**.

Figure 15: Federal Expenditures in Maryland: Contracts, Grants, and Direct Payments (FFY 2024)

Source	Total Amount (billions)	Percent of Total
Contracts	\$ 46.2	40%
Grants	31	27%
Direct Payments	38	33%
Total	\$ 114.5	100%

Source: USAspending

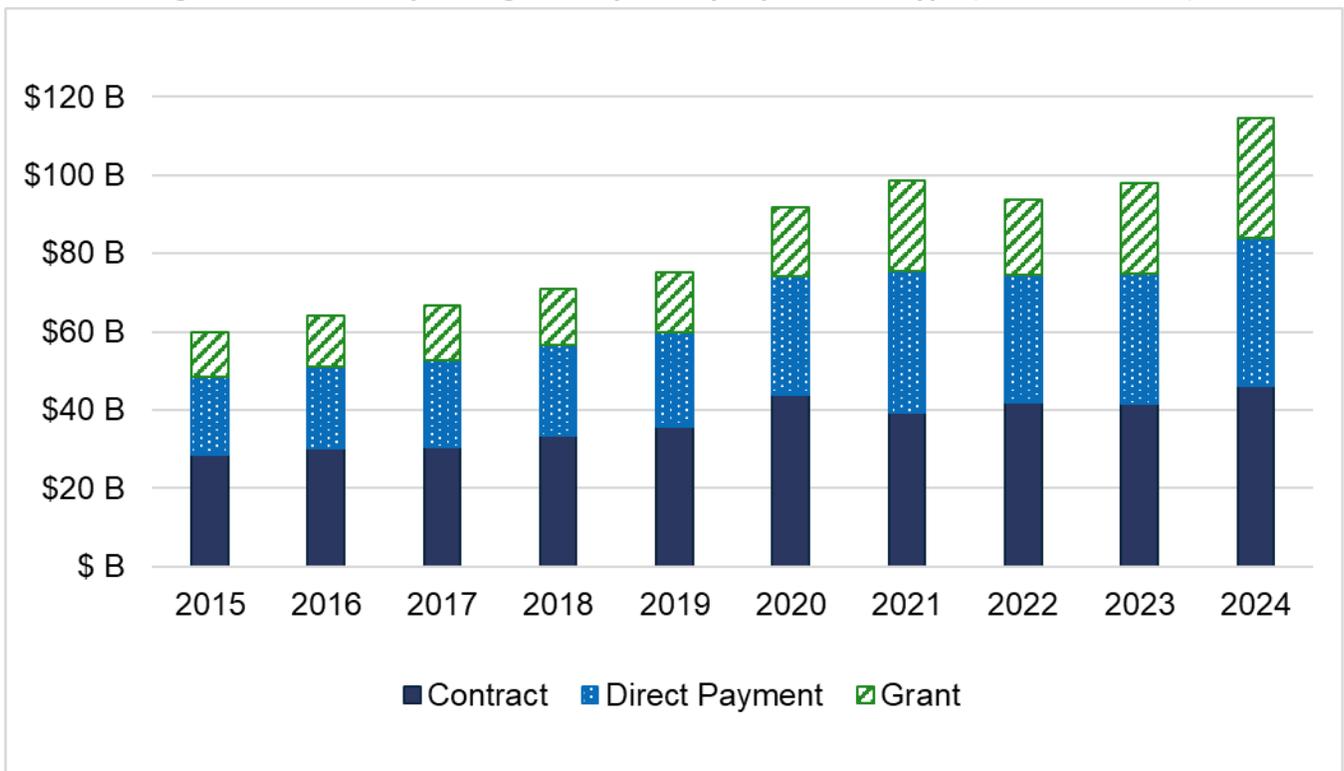
In FFY 2024, federal government spending in Maryland was \$18,288 per person, which was 26% higher than the national average of \$14,475 per person and ranking the state 13th nationwide in per capita federal spending. Among neighboring states, Washington, D.C. (\$86,308), Virginia (\$21,407) and Pennsylvania (\$20,379) all rank higher than Maryland.¹⁶ Washington had about half the total spending of Maryland, but its high per capita spending is the result of a relatively small population size, roughly 700,000 compared to Maryland's 6.3 million.¹⁷

Over the past decade, federal spending in Maryland has increased from \$60 billion to \$114.4 billion, an increase of 91%. (See **Figure 16**.)

Prior to 2020, the share of each spending type (contracts, grants, direct payments) was consistent from year to year. Beginning in 2020, there was a sharp increase in the share of grants and a corresponding percent decrease in the share of contracts and direct payments (see **Figure 17**). This trend was largely driven by increased federal grant spending from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), American Rescue Plan Act (ARPA), and the Inflation Reduction Act (IRA).

Looking at this growth from 2019 to 2024, spending has increased by 53% in Maryland and 40% nationally. Increased spending in Maryland was mainly driven by the DoD, the Department of Veterans Affairs (VA), the Environmental Protection Agency (EPA), and DHS.

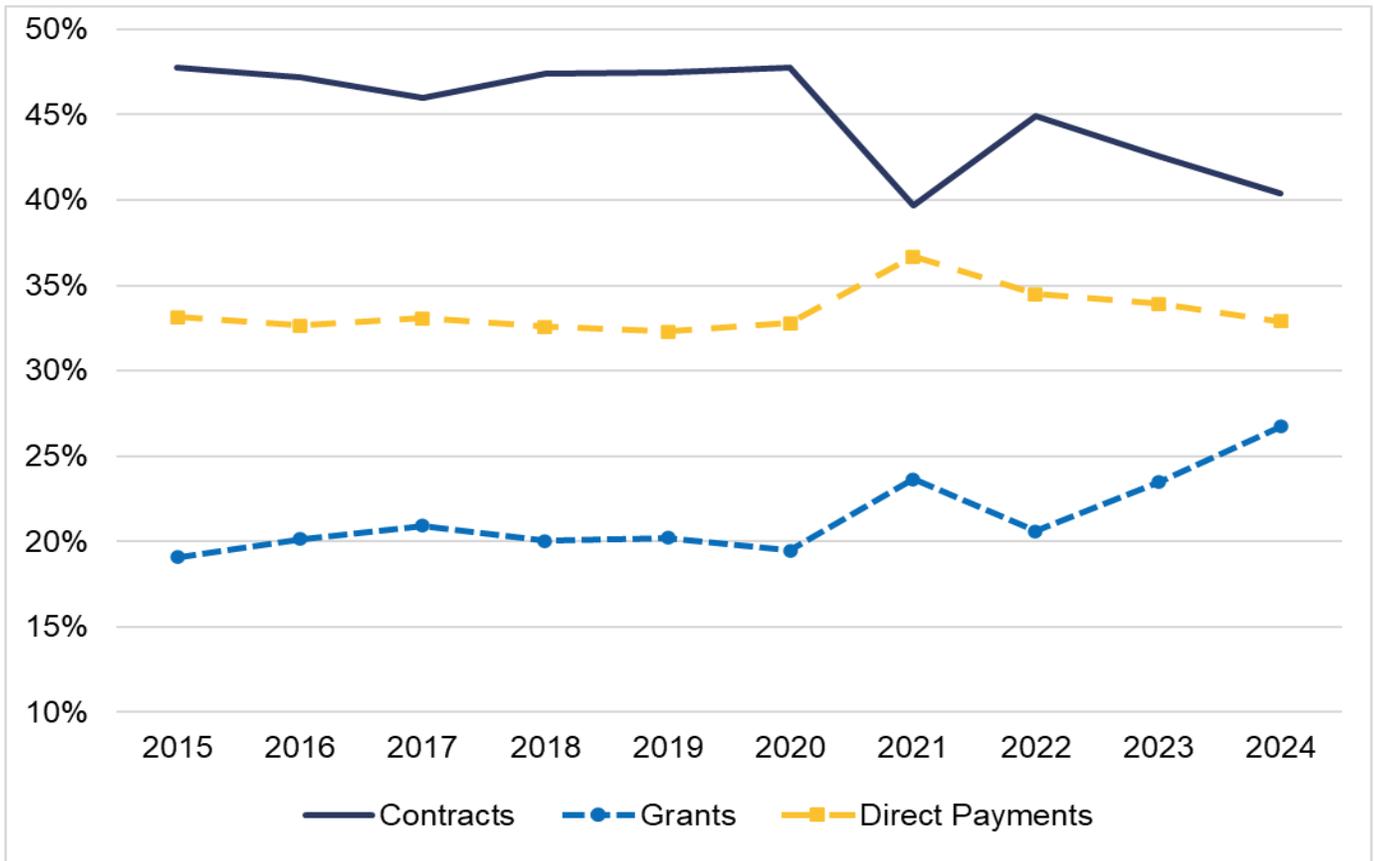
Figure 16: Federal Spending in Maryland by Expenditure Type (FFY 2015 - 2024)



Source: USAspending

[View as Table](#)

Figure 17: Federal Spending in Maryland by Expenditure Type (FFY 2015 - 2024)

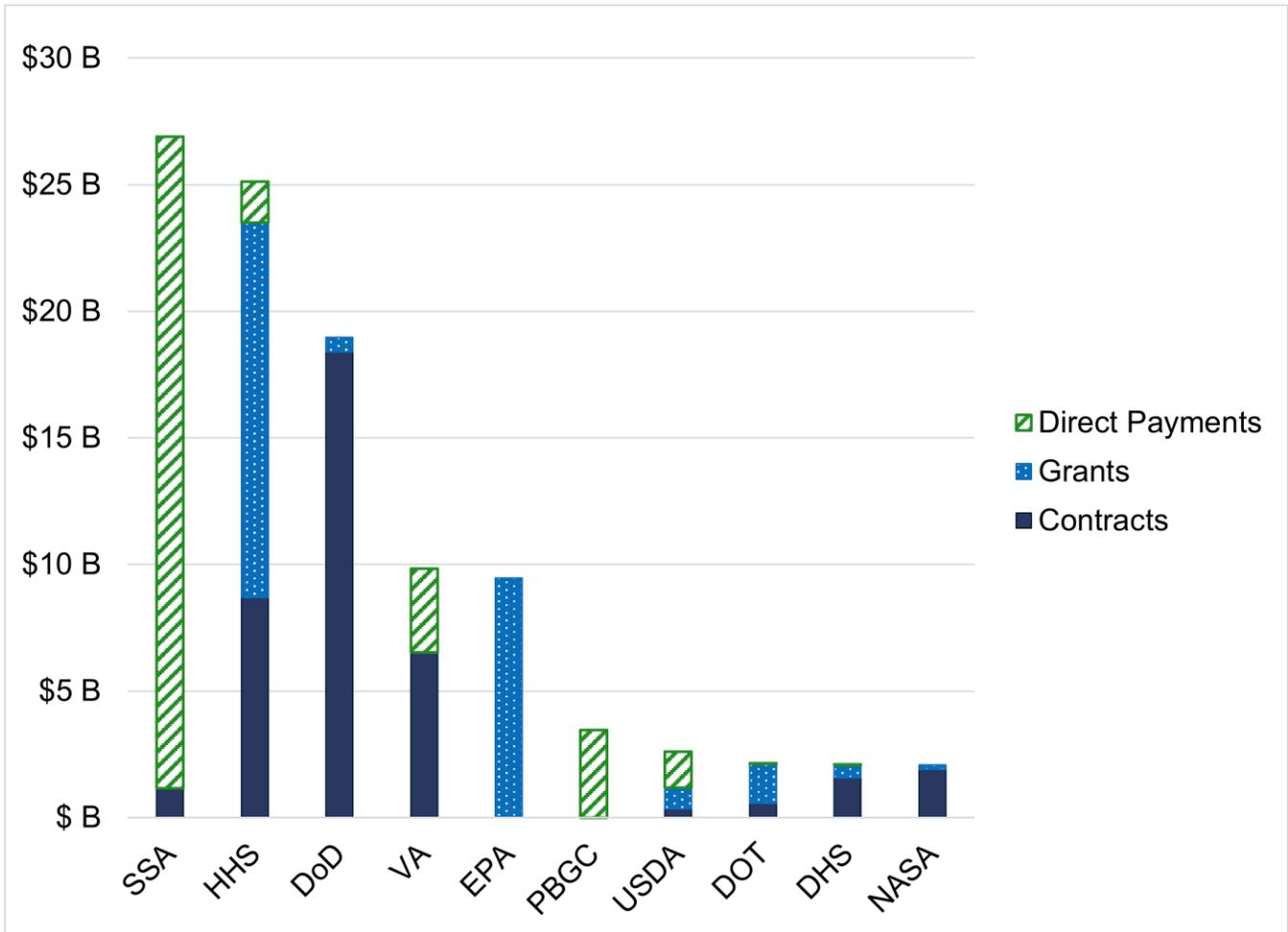


Source: USAspending

[View as Table](#)

The top agency by annual spending in Maryland for FFY24 was SSA at \$27 billion, driven entirely by direct payments in the form of Social Security Insurance. HHS was next at \$25 billion overall. HHS spending is broken down by 59% in grants, 35% in contracts, and 6% in direct payments. DoD, which has the next largest spend in Maryland at \$19 billion, is driven entirely by contracts, at 97%. VA and EPA are the next largest agency spenders in Maryland in the most recent year, with VA spending consisting of contracts (\$6.5 billion) and direct payments (\$3.3 billion); and EPA spending consisting only of grants (\$9.4 billion). See **Figure 18**.

Figure 18: Federal Agency Spending in Maryland by Expenditure Type (FFY 2024)



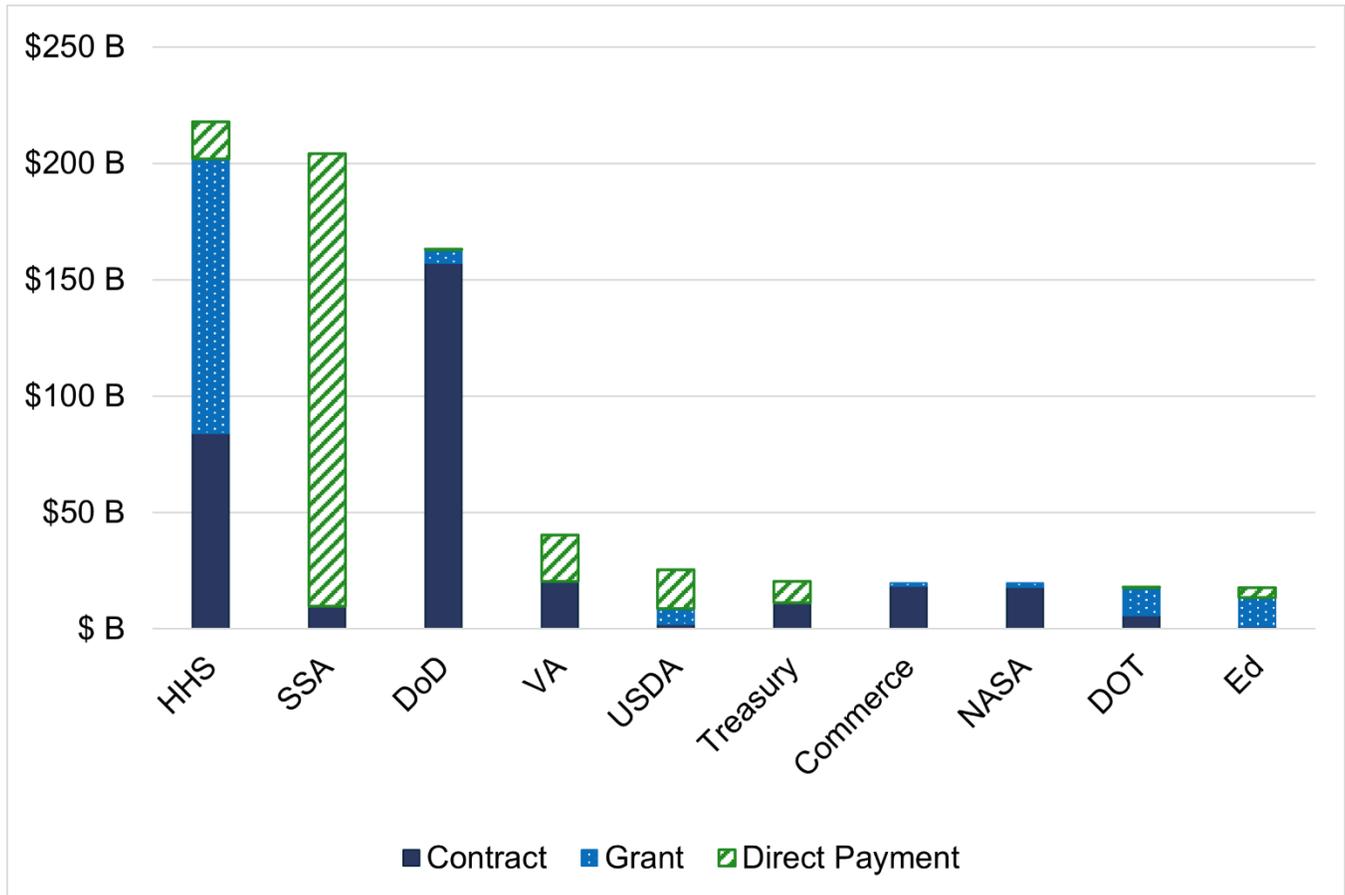
Source: USAspending

Note: See Appendix B for full list of agency names

[View as Table](#)

Figure 19 displays overall spending by agency for the 2015-24 period. Over the 10-year timeframe, HHS is the largest spender in Maryland at \$217 billion with a similar distribution of contracts, grants, and direct payments as 2024. Following HHS are SSA (\$203 billion) with a similar concentration in direct payments as in 2024, DoD (\$160 billion) with mainly contract spending, and VA (\$40 billion) with a mix of contracts and direct payments. EPA, which was the fifth highest spending agency in 2024 is not in the top 10 for the 2015-2024 period.

**Figure 19: Federal Agency Spending in Maryland by Expenditure Type
(Cumulative FFY 2015 - 2024)**



Source: USAspending

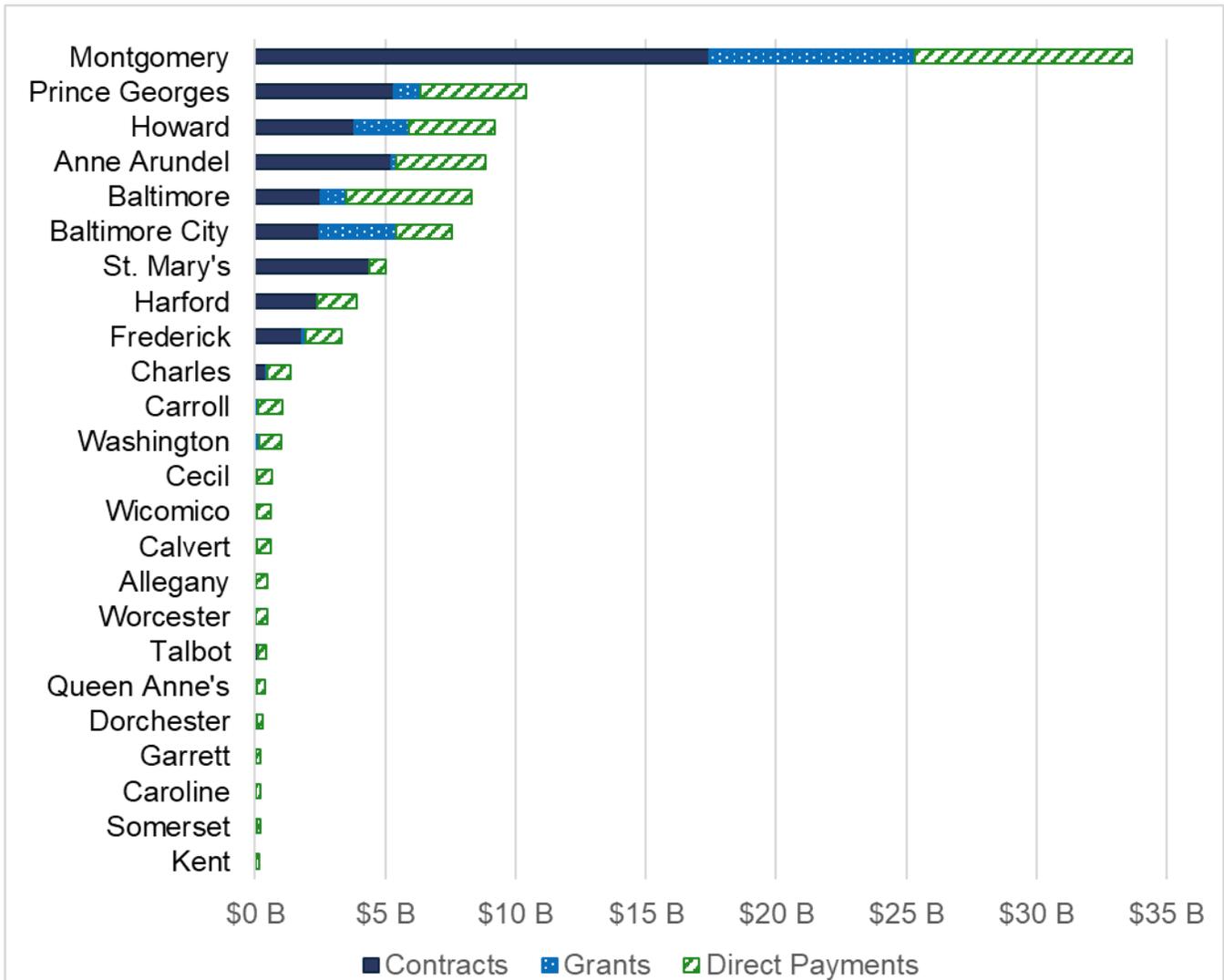
Note: See Appendix B for full list of agency names

[View as Table](#)

An analysis of federal spending by county (see **Figure 20**) indicates that entities in Montgomery County received about \$34 billion in FFY 2024, representing nearly 1 in 3 dollars spent in the state by the federal government. Meanwhile, entities in Prince George’s, Howard, Anne Arundel, Baltimore (County), Baltimore (City), St. Mary’s, and Harford Counties received between approximately \$4 billion and \$12 billion each, with a mix of contract, grant, and direct payment spending. In addition to the counties listed above, Frederick and Charles County entities also received a significant amount of grant and contract awards. For all the remaining Maryland counties, largely those on the Eastern Shore and in Western Maryland, overall spending was mostly driven by direct payments, including Medicare, retirement income, supplemental nutrition assistance, and other means-tested benefits programs.

Note that this analysis incorporates contract and grant spending by location of performance, as reported by USAspending. In some cases, grant payments in USAspending are reported at the state level or have a blank field for county. In general, these are grants to state government agencies that are spent across multiple counties. Direct payments are similarly reported in USAspending at either the county or state level. Statewide amounts are indicated in the notes below **Figures 20** and **21**.

Figure 20: Federal Spending in Maryland Counties by Expenditure Type (FFY 2024)



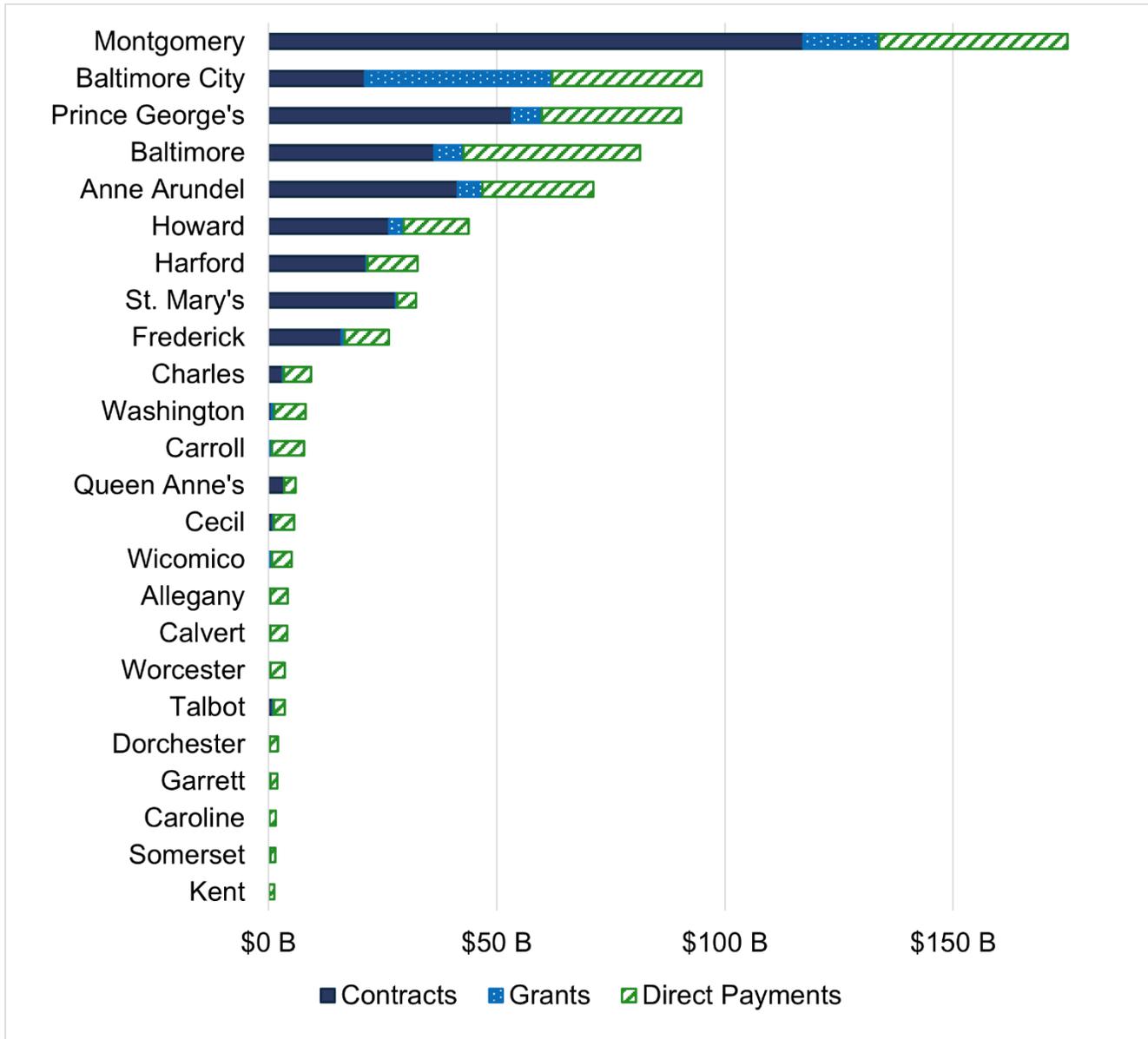
Source: USAspending

Note: Grants and Direct Payments awarded to multiple counties or not specified by USAspending total an additional \$14.8 B (Grants) and \$1.4 B (Direct Payments)

[View as Table](#)

Figure 21 shows the cumulative amounts received by each county between 2015 and 2024. Once again, Montgomery County entities received the highest amount during this period (\$175 billion), followed by Baltimore City (\$95 billion), Prince George’s County (\$90 billion), and Baltimore County (\$81 billion).

**Figure 21: Federal Agency Spending in Maryland Counties by Expenditure Type
(Cumulative FFY 2015 - 2024)**



Source: USAspending

Note: Grants and Direct Payments awarded to multiple counties or unspecified by USAspending total an additional \$98 B (Grants) and \$21.9 B (Direct Payments)

[View as Table](#)

The following three sub-sections provide further analysis of contract, grant, and direct payment spending in Maryland. Appendix A provides more detailed analysis of spending in counties by federal agencies.

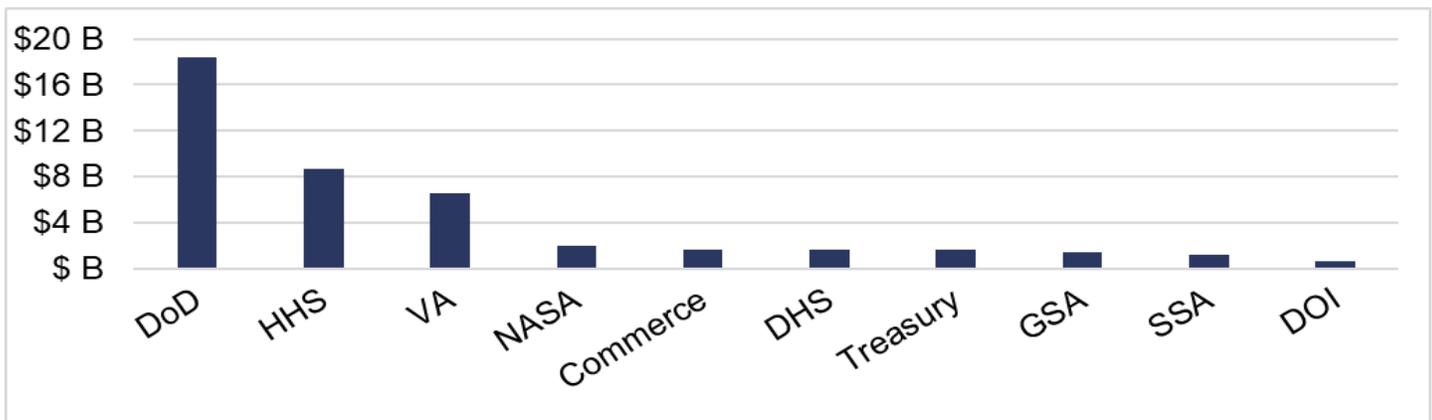
Federal Contracts in Maryland

During FFY 2024, federal agencies awarded \$46.2 billion for contracts to be performed in Maryland, accounting for 40% of federal spending in the state. The top awarding agencies for federal contracts were the following:

- Department of Defense (DoD): \$18.4 billion, 40% of contract awards.
- Department of Health and Human Services (HHS): \$8.7 billion, 19% of contract awards.
- Department of Veterans Affairs (VA): \$6.5 billion, 14% of contract awards.
- National Aeronautics and Space Administration (NASA): \$1.9 billion, 4% of contract awards.
- Department of Commerce (Commerce): \$1.6 billion, 3% of contract awards.
- Department of the Treasury (Treasury): \$1.6 billion, 3% of contract awards.

Figure 22 illustrates the top 10 agencies by contracts awarded in Maryland in FFY 2024. Data regarding contracts primarily depends on the location of performance, or where most of the work is done. For larger contracts, it is common for some work to be performed in other states and subcontracted to different companies operating in various locations. As a result, the reported figures may overstate activity by including work performed by subcontractors located outside of Maryland, while understating activity by excluding work done by Maryland-based subcontractors on projects led by prime contractors based in other states. Additionally, a company providing a specific service or product may receive payments through various multi-year contracts over the course of a fiscal year, meaning that actual expenditures by federal agencies on contracts may differ from the reported contract awards.

Figure 22: Top 10 Federal Agency Contracts Awarded in Maryland (FFY 2024)



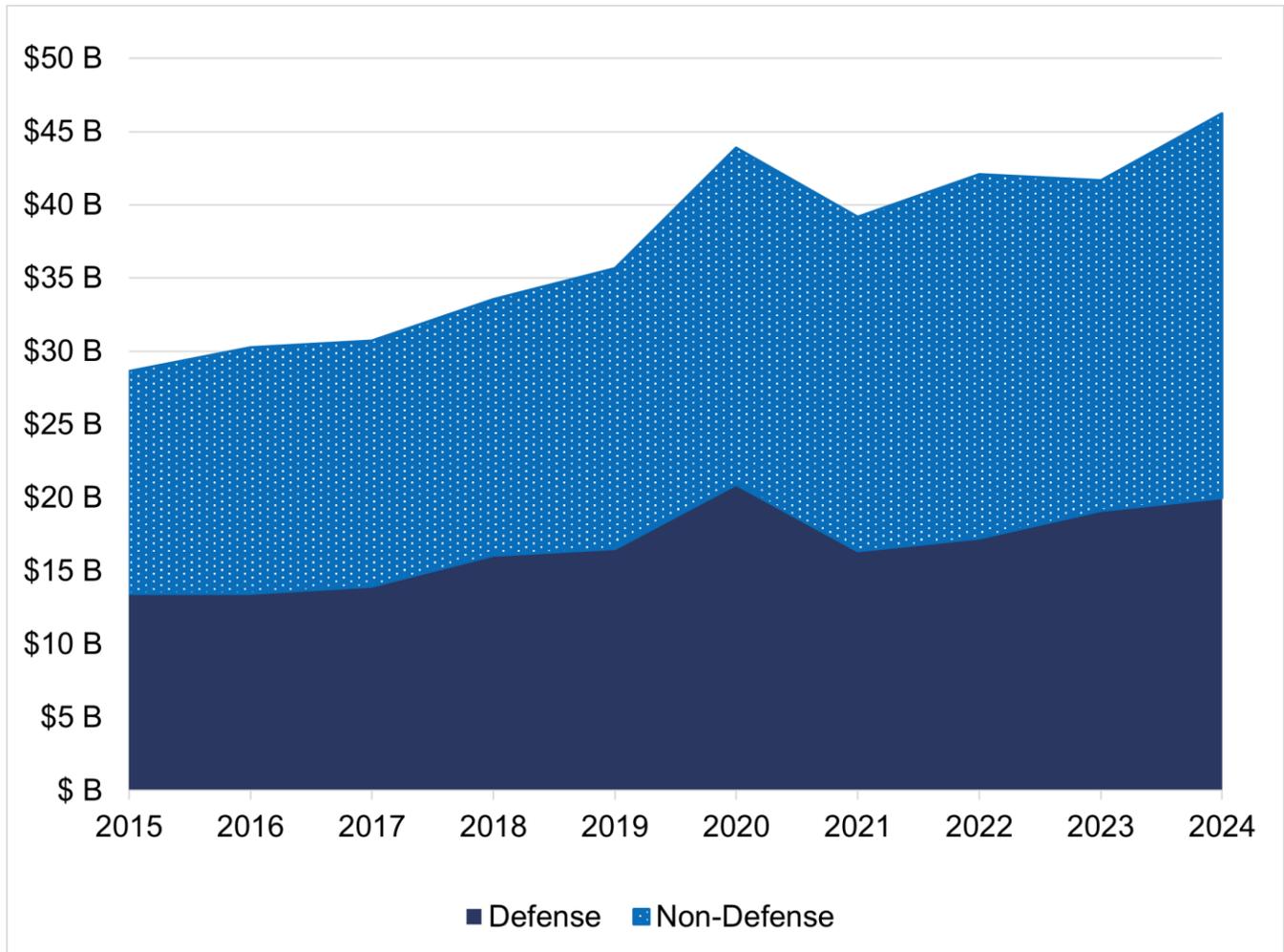
Source: USAspending

Note: See Appendix B for full list of agency names

[View as Table](#)

There was a steady increase in federal contracts awarded for work to be performed in Maryland from FFY 2015 to 2024. Overall growth for the 10-year period was 58%. Non-defense contracts outpaced defense contracts, with 73% growth for non-defense contracts and 48% growth for defense contracts (see **Figure 23**).

Figure 23: Federal Contract Awards in Maryland, Defense versus Non-Defense (FFY 2015 - 2024)



Source: USAspending

[View as Table](#)

The change in federal contract awards varies by agency. Between FFY 2019 and 2024, the VA had the largest total dollar increase in contracts awarded in Maryland, from \$505 million in 2019 to over \$6.5 billion in 2024, representing a growth of 1,188%. The amount for DoD contracts awarded increased from \$15.6 billion to \$18.4 billion, the second largest dollar increase and an 18% growth rate. DHS contract awards increased by \$646 million, or 69%. In contrast, Commerce faced the largest dollar amount decrease in contracts awarded in Maryland, declining by \$1.36 billion, followed by the General Services Administration with a decrease of \$214 million.

See Figure 24.

The U.S. Agency for International Development (USAID) is notable for the second-highest percent increase in contracts awarded (behind the VA) of 181%, growing from \$93 million in 2019 to \$262 million in 2024. With the Trump Administration eliminating USAID, these contracts have all been cancelled, directly impacting the companies and workers who performed work on these contracts.

Figure 24: Federal Contract Awards in Maryland by Agency (FFY 2019, 2024)

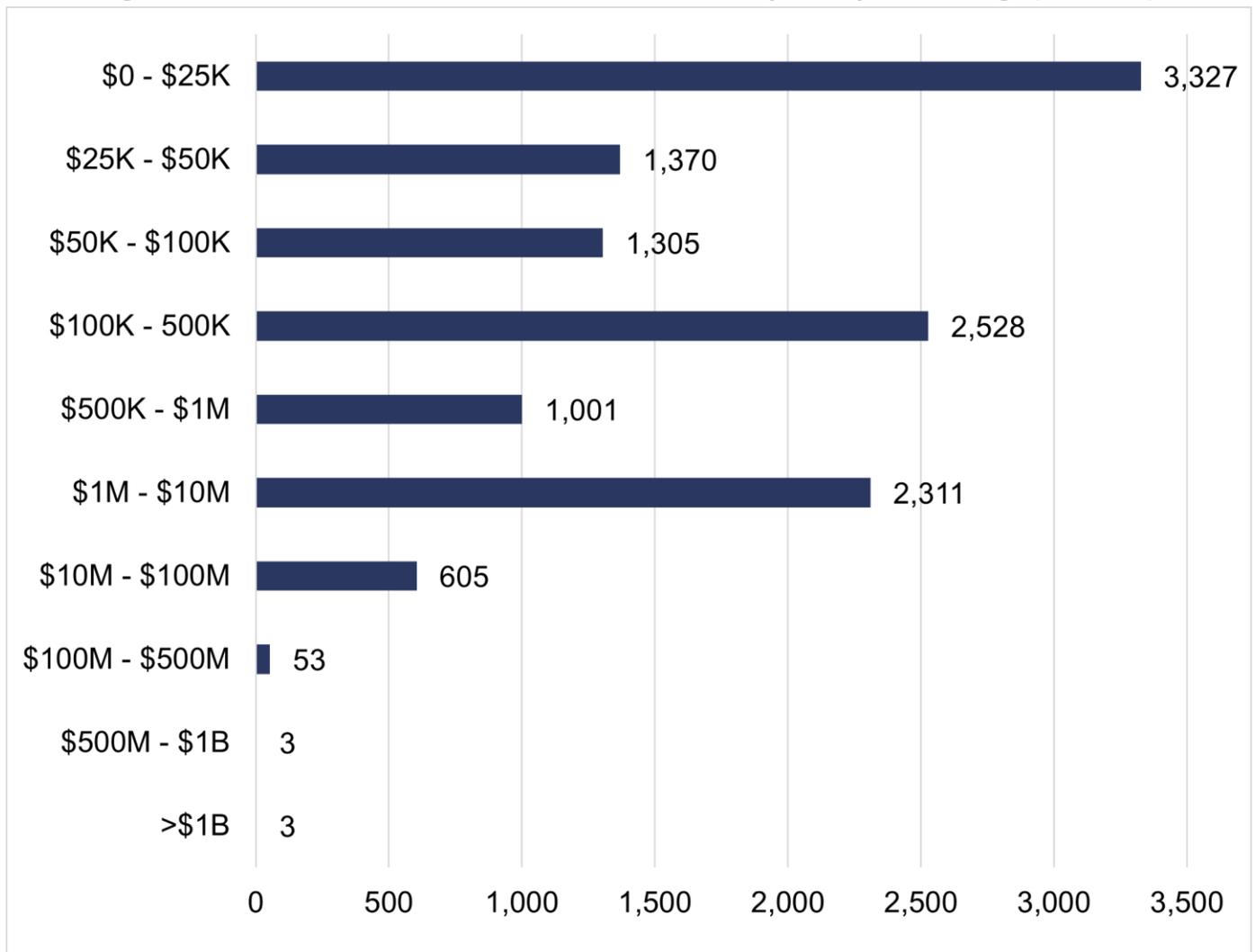
Agency	Spending in 2019 (millions)	Spending in 2024 (millions)	Change (millions) 2019 to 2024
VA	\$ 505	\$ 6,504	\$ 5,999
DoD	15,597	18,395	2,798
DHS	930	1,577	646
Treasury	1,059	1,575	516
NASA	1,515	1,916	401
DOI	272	672	400
SSA	805	1,155	350
DOT	294	560	266
USDA	169	342	172
USAID	93	262	168
HHS	8,538	8,695	157
DOJ	378	529	151
OTHER	260	383	123
NRC	69	115	45
NARA	62	100	37
State Dept.	147	164	17
DOL	91	78	-14
DOE	134	105	-28
Ed	130	90	-40
GSA	1,660	1,446	-214
Commerce	2,937	1,581	-1356
Total	\$ 35,648	\$ 46,242	\$ 10,594

Source: USAspending

Note: See Appendix B for full list of agency names

In FFY 2024, over 12,000 federal contracts were awarded for work to be performed in Maryland. The largest number of contracts were valued at \$25,000 or less (3,327 contracts, or 27% of total contracts); followed by \$100,000 to \$500,000 (2,528 contracts, 20% of total contracts), and \$1 million to \$10 million (2,311 contracts, 18% of total contracts). There were 59 very large contract obligations for \$100 million or more, including six awards for over \$500 million. See **Figure 25**.

Figure 25: Number of Federal Contracts Awarded in Maryland by Dollar Range (FFY 2024)



Source: USAspending

[View as Table](#)

Over the last decade, 2015 to 2024, the top five recipients of federal contracts for work to be performed in Maryland were Optum Public Sector Solutions (\$14.9 billion), Johns Hopkins University Applied Physics Laboratory (\$12.8 billion), Northrop Grumman Systems Corporation (\$12.2 billion), Leidos, Inc. (\$10.9 billion), and Lockheed Martin Corporation (\$10 billion). (See **Figure 26.**) The top contractor, Optum, is affiliated with UnitedHealth Group and provides information technology and managed healthcare services to the VA. Their contracts have driven the large growth in contracts awarded by the VA (see **Figure 24.**)

Figure 26: Top 20 Recipients of Federal Contracts in Maryland (FFY 2015 - 2024)

Rank	Contractor Parent Company Name	Contract Value, Cumulative (millions)	Top Awarding Agencies
1	Optum Public Sector Solutions, Inc.	\$ 14,853	VA
2	The Johns Hopkins University Applied Physics Laboratory, Llc.	12,760	DoD, NASA, DHS
3	Northrop Grumman Systems Corporation	12,190	DoD, SSA, HHS
4	Leidos, Inc.	10,919	DoD, HHS, SSA
5	Lockheed Martin Corporation	10,000	DoD, GSA, SSA
6	Leidos Biomedical Research, Inc.	8,136	HHS
7	Booz Allen Hamilton, Inc.	6,322	DoD, HHS, GSA
8	General Dynamics Information Technology, Inc	5,988	HHS, GSA, DoD
9	BAE Systems Technology Solutions & Services Inc.	5,225	DoD, DOJ, DHS
10	International Business Machines Corporation	4,529	SSA, Treasury, DHS
11	The Johns Hopkins Medical Services Corporation	3,945	DoD
12	KBR Wyle Services, Llc.	3,432	NASA, DoD, DHS
13	Textron Systems Corporation	3,365	DoD, DHS
14	FCN, Inc.	3,289	Treasury, DoD, DHS
15	Federal Resources Supply Company, Llc.	3,037	DoD, DHS, GSA
16	Deloitte Consulting, Llp.	3,029	HHS, Treasury, Commerce
17	Westat, Inc.	3,005	HHS, Ed, SSA
18	Amentum Services, Inc.	2,914	DoD, Treasury, GSA
19	Hensel Phelps Construction Co	2,665	DoD, HHS, Commerce
20	Emergent Product Development Gaithersburg Inc.	2,251	HHS, DoD

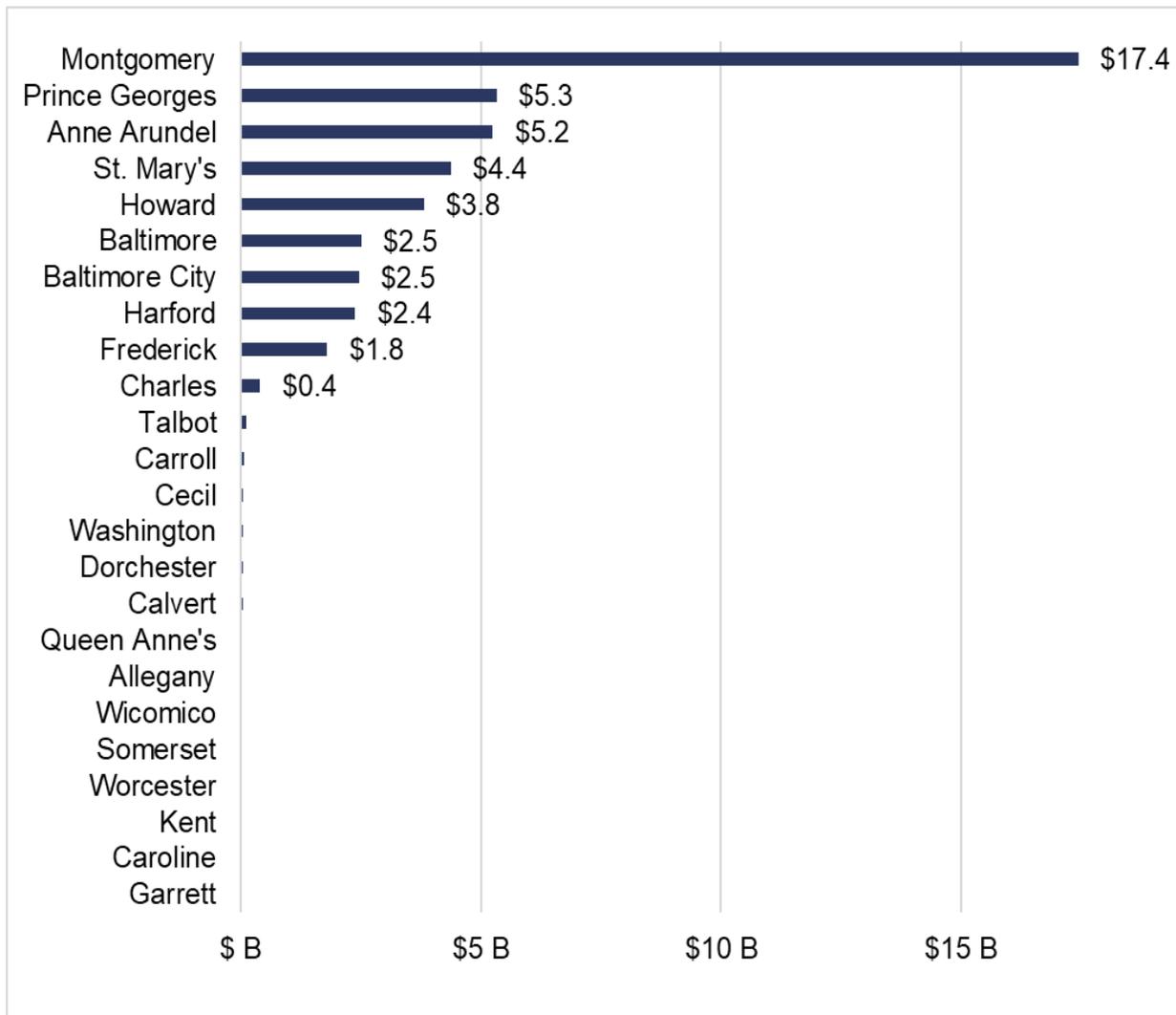
Source: USAspending

Note: See [Appendix B](#) for full list of agency names

Figures 27 and 28 display total federal contract awards for work performed in each county for FFY 2024 and from FFY 2015 to 2024, respectively. Montgomery County entities received the largest contract awards for work to be performed in the county totaling \$17.4 billion in FFY 2024, representing 38% of contract dollars awarded in Maryland. Prince George’s, Anne Arundel, and St. Mary’s Counties, all entities received awards of above \$4 billion for work in their counties, totaling 33% of all contract awards in the state.

Between 2015 and 2024, federal agencies awarded \$117.2 billion for work to be performed in Montgomery County out of \$371.7 billion, or 32% of all contracts awarded for work to be performed in Maryland. Prince George’s, Anne Arundel, Baltimore (County), St. Mary’s, Howard, Harford, and Baltimore (City) each received more than \$20 billion in contract awards for work to be performed in their counties.

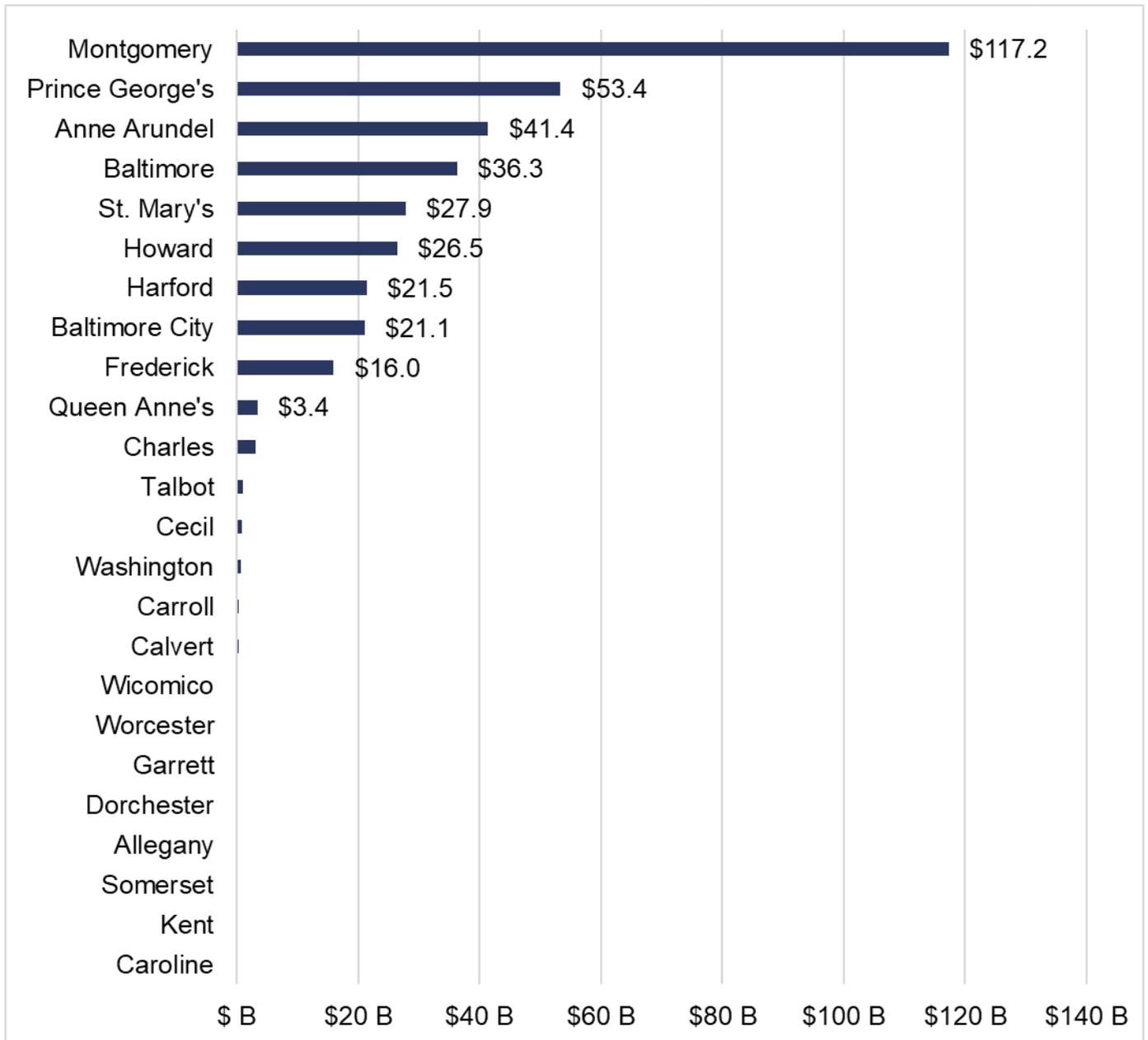
Figure 27: Federal Contract Awards by Maryland County (FFY 2024)



Source: USAspending

[View as Table](#)

Figure 28: Federal Contract Awards by Maryland County (Cumulative FFY 2015 - 2024)



Source: USAspending

[View as Table](#)

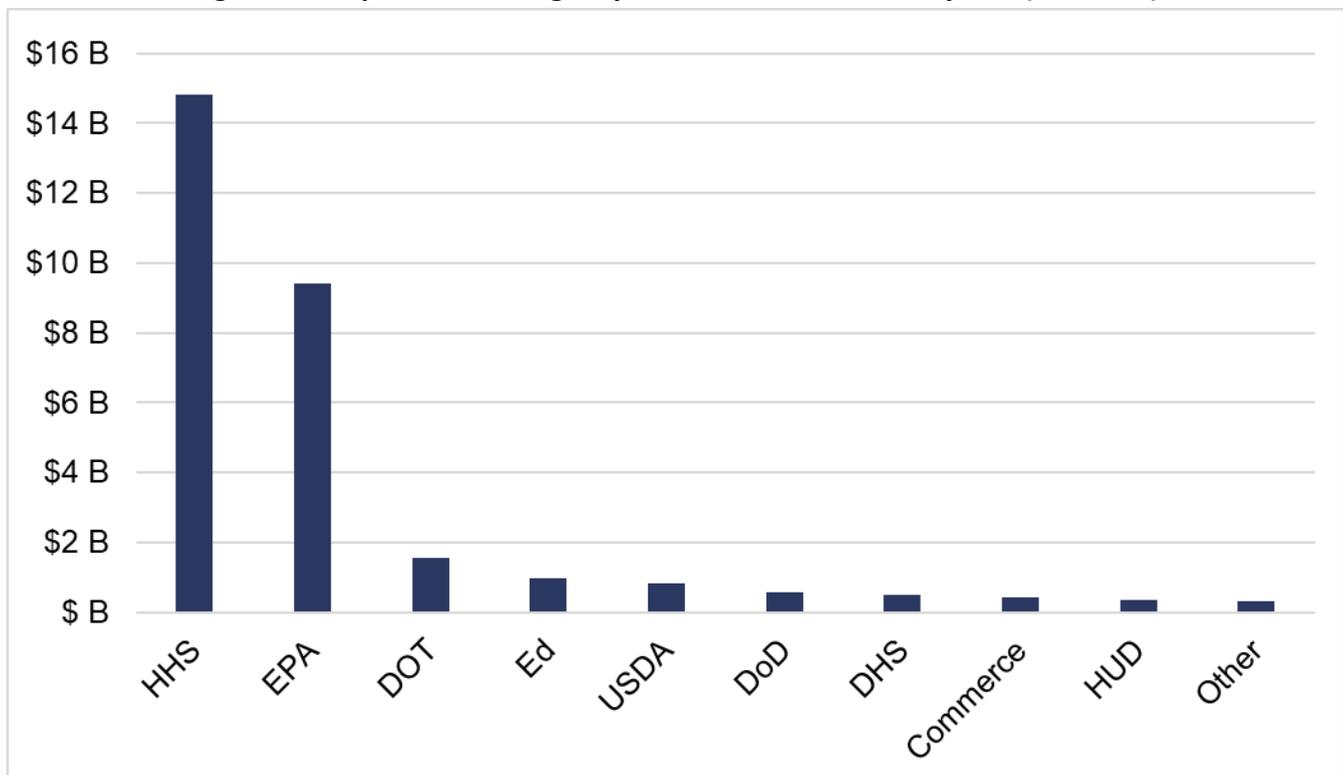
Federal Grants in Maryland

During FFY 2024, federal agencies awarded \$30.6 billion in grants to state and local government and nonprofit organizations in Maryland, accounting for 27% of federal spending in the state. The top awarding agencies were:

- **Department of Health and Human Services (HHS):** \$14.8 billion, representing 48% of total grants awarded.
- **Environmental Protection Agency (EPA):** \$9.4 billion, representing 31% of grants awarded.
- **Department of Transportation (DoT):** \$1.6 billion, representing 5% of grants awarded.

See **Figure 29** for the agencies awarding the most grant funding to Maryland governments and nonprofit organizations.

Figure 29: Top 10 Federal Agency Grants Awarded in Maryland (FFY 2024)



Source: USAspending

Note: See Appendix B for full list of agency names

[View as Table](#)

Figure 30 illustrates the change in grants awarded by federal agencies to Maryland governments and nonprofits from 2019 to 2024. Overall, grant awards doubled from \$15.2 billion in 2019 to \$30.6 billion in 2024. EPA grant spending grew by over \$9 billion (8,153%) during this period, driven by new programs funded under the Inflation Reduction Act (IRA). The primary contributors to this growth were a \$7 billion grant to the Climate United Fund under the IRA Greenhouse Gas Reduction Fund and a \$2 billion grant to Power Forward Communities, Inc. under the National Clean Investment Fund. Notably, while these two grants were awarded

to Maryland-based organizations, a significant portion of the funds are being distributed to organizations and projects nationwide.

Following the EPA, HHS and DoT saw the next largest increases, with an increase of \$4.1 billion (38% growth) and \$414 million (36% growth), respectively. DHS and Commerce grants to Maryland both experienced more than 400% growth during this time period. A significant portion of the growth for DHS stemmed from the Federal Emergency Management Administration’s (FEMA) Building Resilient Infrastructure and Communities (BRIC) program, which has awarded approximately \$150 million to Maryland governments and nonprofits for flood mitigation efforts related to sea-level rise. This grant program was recently cancelled by the Trump Administration. Meanwhile, NASA and HUD saw slight declines in grants awarded in 2024 compared to 2019.

Figure 30: Federal Grant Awards in Maryland by Agency (FFY 2019, 2024)

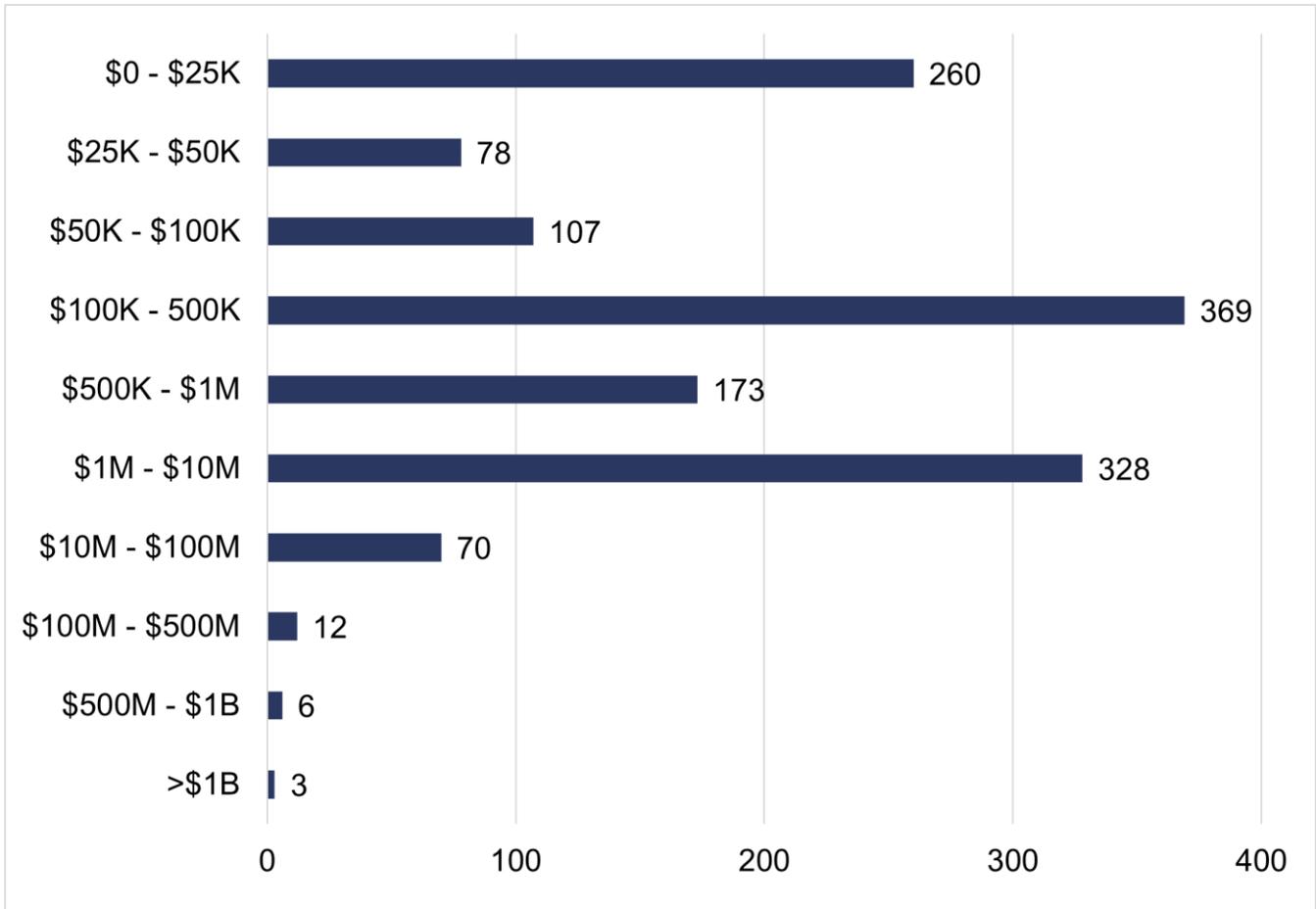
Agency	Spending in 2019 (millions)	Spending in 2024 (millions)	Change (millions), 2019 to 2024
EPA	\$ 114	\$ 9,410	\$ 9,296
HHS	10,729	14,817	4,088
DOT	1,147	1,561	414
DHS	88	498	410
Commerce	85	429	344
USDA	543	842	299
Ed	735	963	228
Other	125	301	177
DOL	204	274	69
DoD	511	570	59
USAID	61	99	38
NSF	129	155	26
Treasury	1	14	14
SBA	4	14	11
SSA	1	8	7
VA	19	26	6
DOJ	106	106	0
NASA	178	159	-19
HUD	391	337	-54
Total	15,170	30,582	15,412

Source: USAspending

Note: See [Appendix B](#) for full list of agency names

During FFY 2024, federal agencies awarded over 1,400 grants to governments and nonprofits in Maryland, with approximately 26% of awards valued between \$100,000 and \$500,000, and another 23% in the \$1 million to \$10 million range. Twenty-one grant awards exceeded \$100 million. See **Figure 31**.

Figure 31: Number of Federal Grant Awards in Maryland by Dollar Range (FFY 2024)



Source: USAspending

[View as Table](#)

Over the past 10 years, the Maryland Department of Health, Johns Hopkins University, the Maryland State Department of Education, the Maryland Transit Administration, and the Maryland Department of Human Services have received the largest amount of grant funding in the state. Each entity received more than \$7 billion in federal grants from FFY 2015 to 2024.

Of the top 20 grant recipients in the state, 11 were state government agencies, indicating the state’s reliance on federal funding to support its budget and operations (see **Figure 32**). In recent years, the State of Maryland has received approximately \$20 billion in federal grants per year, accounting for about 30% of annual state revenues supporting the operating budget.¹⁸

Figure 32: Top 20 Recipients of Federal Grants in Maryland (Cumulative FFY 2015 - 2024)

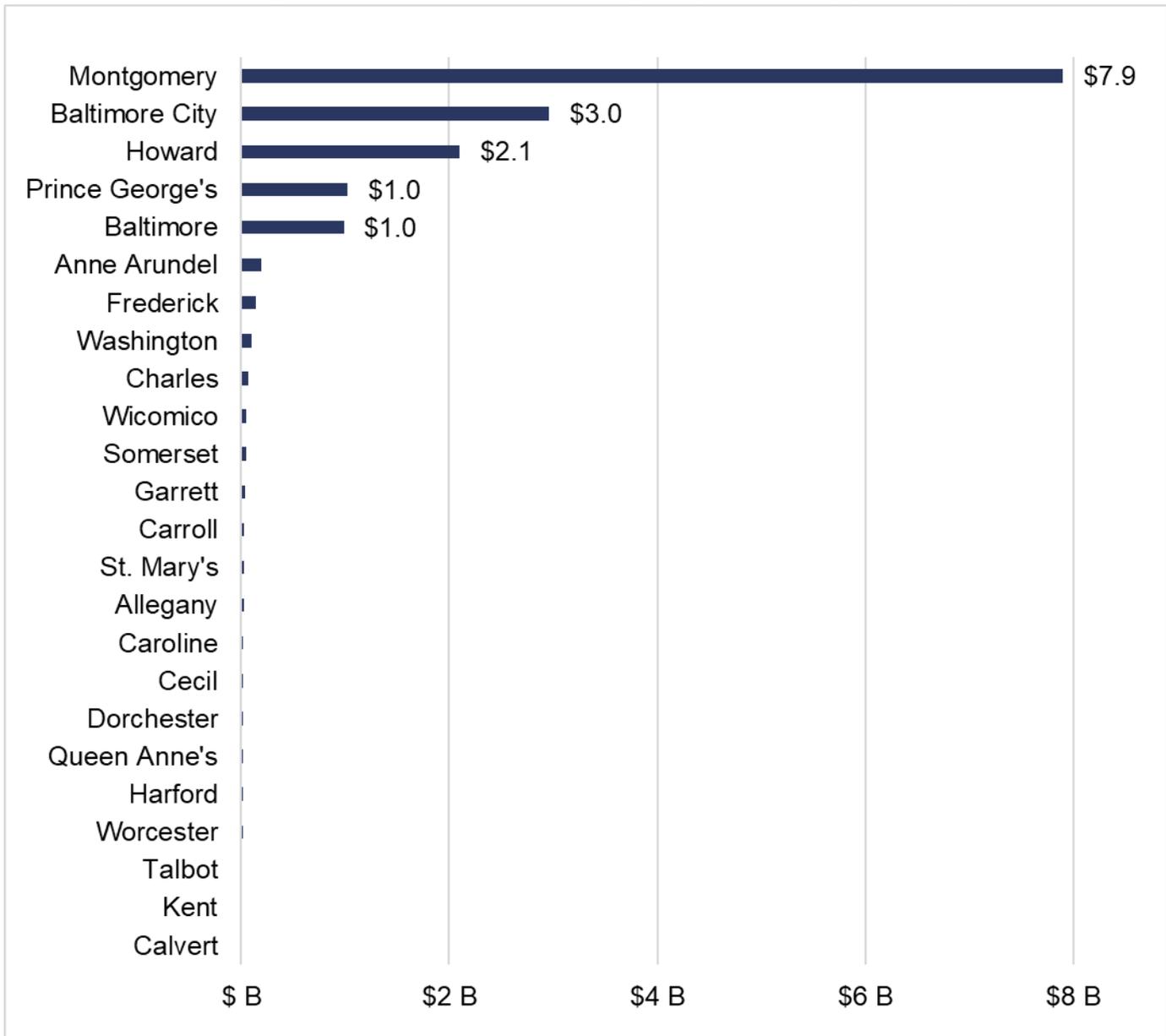
Rank	Recipient Name	Grant Value, Cumulative (millions)	Awarding Agencies
1	Maryland Department Of Health	\$ 84,297	DOJ, HHS, Commerce
2	The Johns Hopkins University	13,136	Ed, DOI, NSF
3	Maryland State Department Of Education	12,587	Ed, DOJ, HHS
4	Maryland Transit Administration	7,639	DHS, DOT
5	Maryland Department Of Human Services	7,227	HHS, HUD
6	Climate United Fund	6,970	EPA
7	The Henry M. Jackson Foundation For The Advancement Of Military Medicine, Inc.	5,967	NASA, HHS
8	University Of Maryland, College Park	4,105	Ed, DOI, SBA
9	Maryland Department Of Transportation	3,363	DHS, DOT
10	State Of Maryland	3,172	NEH, Ed
11	University Of Maryland, Baltimore	3,162	Ed, DOI, NSF
12	Maryland Health Benefit Exchange	2,786	HHS
13	Maryland Department Of Emergency Management	2,779	DOT, DHS
14	Power Forward Communities, Inc	2,000	EPA
15	Maryland Department Of Labor	1,952	DOC, DOL, DOT
16	Jhpiego Corp	1,855	HHS, DoD, USAID
17	Maryland Department Of The Environment	1,348	HHS, DHS, DoD
18	Housing Authority Of Baltimore City	928	HUD, FCC
19	Maryland Department Of Housing & Community Development	925	HHS, DOC, DOE
20	Catholic Relief Services	915	USAID, HHS, DOC

Source: USAspending

Note: See [Appendix B](#) for full list of agency names

Figures 33 and 34 show grant awards by county – to county government and nonprofits – for FFY 2024 and the period from FFY 2015 to 2024, respectively. According to USAspending, about half of all grant funding was awarded at the state level, in most cases to state agencies, which then distribute funds to local governments and organizations across the state. These amounts are indicated in the notes below each figure. The counties that saw the largest cumulative grant awards over the 10-year period were Baltimore City, Montgomery, Prince George's, Baltimore, and Anne Arundel counties. (See **Figure 34.**)

Figure 33: Federal Grant Awards by Maryland County (FFY 2024)

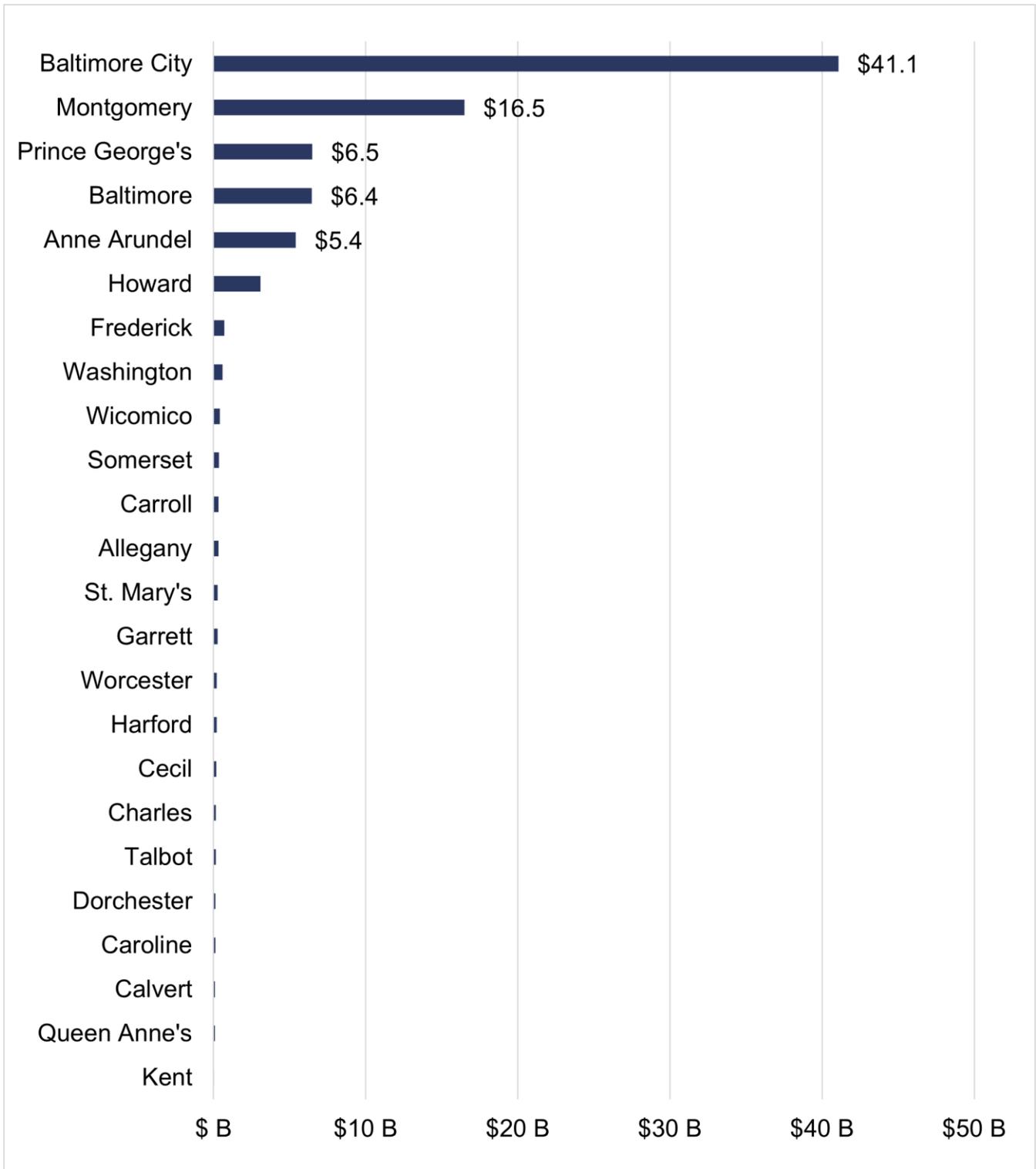


Source: USAspending

Note: Grants awarded to multiple counties or not specified by USAspending total an additional 14.8B

[View as Table](#)

Figure 34: Federal Grant Awards by Maryland County (Cumulative FFY 2015 - 2024)



Source: USAspending

Note: Grants awarded to multiple counties or unspecified by USAspending total an additional \$98 B

[View as Table](#)

Federal Direct Payments in Maryland

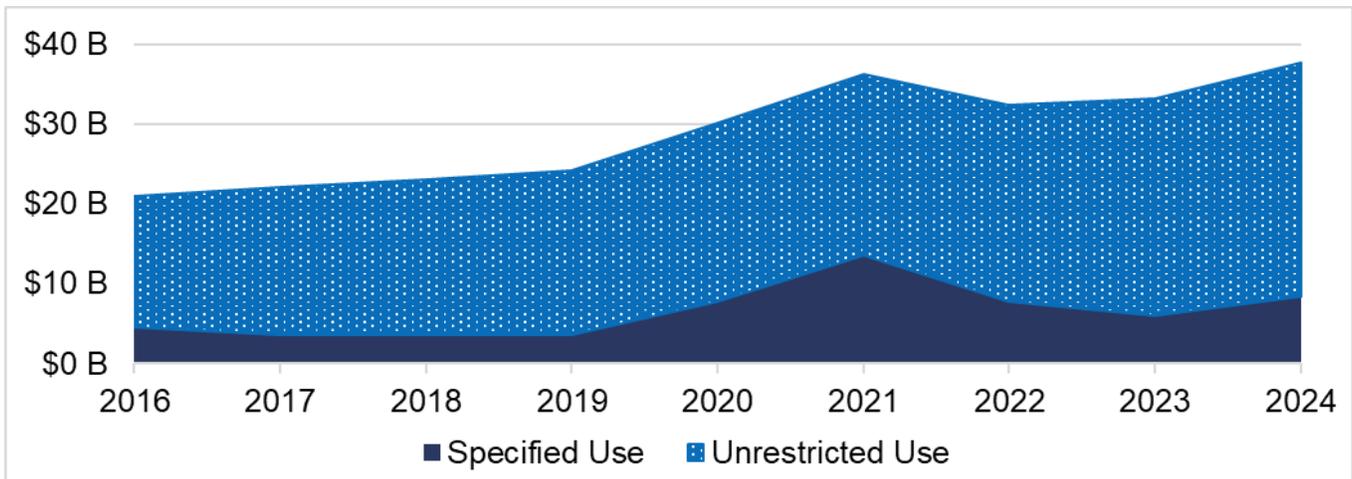
Maryland is less reliant on federal direct payments than most states. Maryland ranks 25th among states in total, annual direct payments and 36th in per capita direct payments.¹⁹ However, direct payments are still a significant source of income and revenue for beneficiaries (individuals and organizations) in the state. For example, Maryland is one of nine states where the average monthly Social Security income direct payment is above \$2,000.²⁰

During FFY 2024, the federal government disbursed \$37.7 billion in direct payments, accounting for 33% of total federal spending in Maryland. Direct payments encompass a range of federal programs that are categorized as: (1) direct payments for specified use, and (2) direct payments for unrestricted use.

Direct payments for specified use refer to financial assistance from the federal government provided directly to individuals, private firms, and other private institutions to encourage or subsidize specific activities, contingent upon recipient performance. This category does not encompass solicited contracts for procuring goods and services for the federal government. Direct payments for unrestricted use involve financial assistance paid directly to beneficiaries who meet federal eligibility requirements, with few or no restrictions on how funds can be spent. Unrestricted payments include, but are not limited to, Supplemental Nutrition Assistance Program (SNAP), Social Security Retirement Insurance and Disability Insurance, and Medicare payments.

In FFY 2024, payments for unrestricted use totaled \$29.3 billion, representing over three-quarters (78%) of direct payments, while payments for specified use amounted to approximately \$8.4 billion (22%). **Figure 35** shows the changes in direct payments by type from FFY 2016 to 2024. There has been a steady increase in both categories, with a notable rise during the COVID pandemic (2020-2021).

Figure 35: Federal Direct Payments to Maryland, Specified Use versus Unrestricted Use (FFY 2016 - 2024)



Source: USAspending

[View as Table](#)

Retirement and disability payments to Maryland residents totaled nearly \$28.9 billion in FFY 2024. The main expenses in this category include Social Security Retirement Insurance payments, which accounted for 72% of payments, and payments for disabled veterans, which accounted for 10.3% of these payments. See **Figure 36**.

Figure 36: Retirement and Disability Payments to Maryland (FFY 2024)

Social Security and Railroad Workers	Payments
Social Security Retirement Insurance	\$ 20,802,610,412
Social Security Disability Insurance	\$ 2,297,096,745
Social Security Survivors Insurance	\$ 1,690,663,332
Supplemental Security Income	\$ 946,225,058
Social Insurance for Railroad Workers	\$ 231,127,685

Department of Veterans Affairs (VA)	Payments
Veterans Compensation For Service-Connected Disability	\$ 2,812,913,469
Veterans Dependency And Indemnity Compensation For Service-Connected Death	125,010,914
Pension For Non-Service-Connected Disability For Veterans	23,854,115
Specially Adapted Housing For Disabled Veterans	2,961,716
Automobiles And Adaptive Equipment For Certain Disabled Veterans And Members Of The Armed Forces	2,923,129
Total Retirement and Disability Payments	\$ 28,935,386,575

Source: USAspending

Figure 37 shows the change in direct payments to individuals between FFY 2016 and 2024, including Social Security and Veterans Compensation, all of which have increased significantly. The last column shows the year-over-year percent change. Social Security Retirement Insurance is the largest contributor to this category, nearly doubling over the nine-year period.

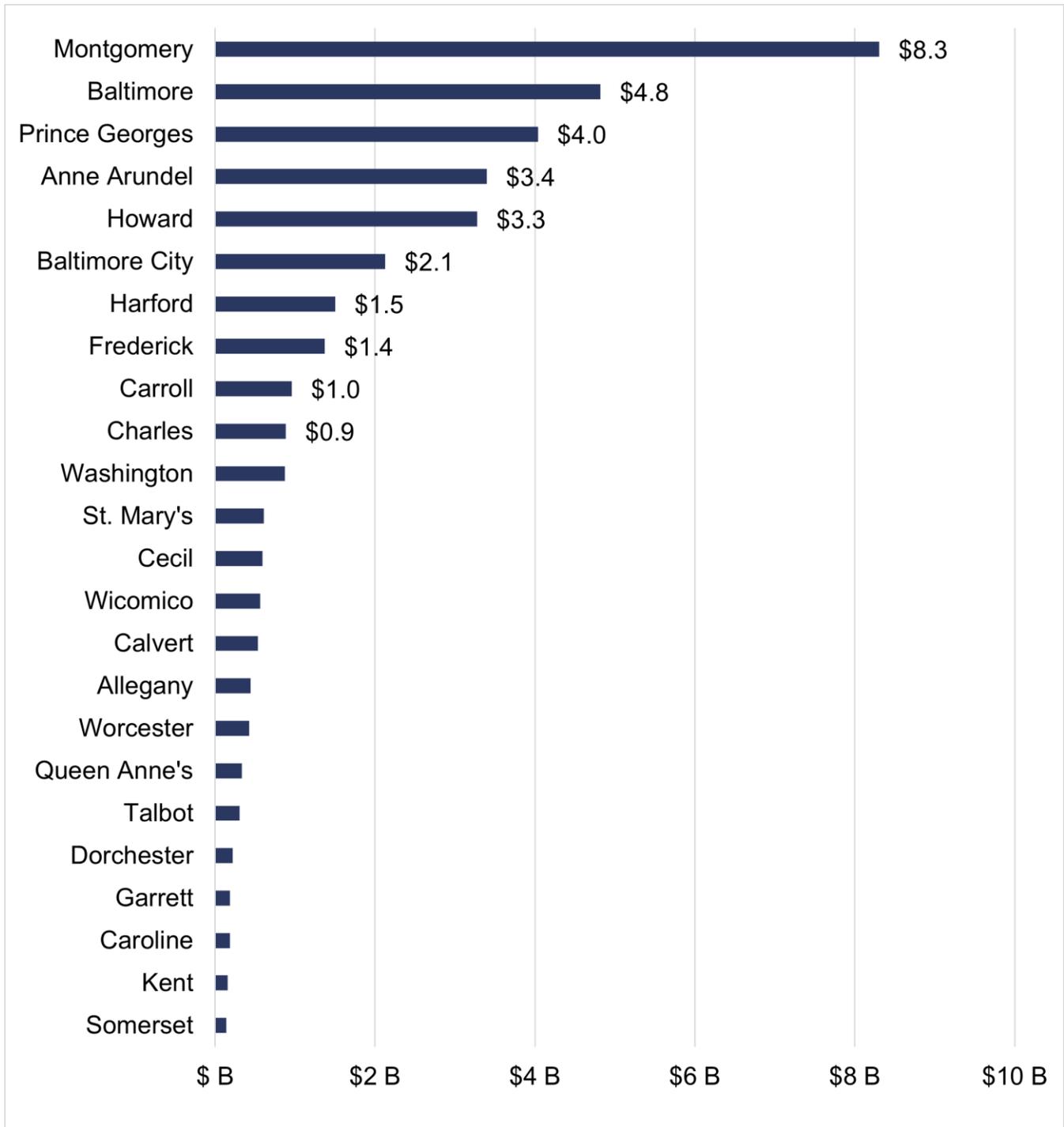
Figure 37: Federal Direct Payments to Individuals, in thousands, (FFY 2016 - 2024)

Year	Social Security Retirement Insurance	Social Security Disability Insurance	Social Security Survivors Insurance	Veterans Compensation for Service-Connected Disability	Others	Total	Percent Change (YoY)
2016	\$ 11,700,681	\$ 2,184,380	\$ 1,329,674		\$ 1,122,761	\$ 16,337,496	
2017	9,087,595	1,624,948	997,174	932,404	1,183,406	13,825,528	-15.4%
2018	6,585,301	1,080,907	684,638	598,862	904,082	9,853,789	-28.7%
2019	13,905,545	2,192,171	1,396,699	1,554,650	1,676,092	20,725,157	110.3%
2020	14,775,036	2,203,442	1,423,146	1,737,341	2,249,435	22,388,400	8.0%
2021	15,496,437	2,145,090	1,437,441	1,903,930	1,750,167	22,733,064	1.5%
2022	16,815,375	2,176,469	1,508,691	2,333,388	1,686,422	24,520,345	7.9%
2023	18,962,570	2,268,127	1,626,107	2,585,804	1,687,921	27,130,529	10.6%
2024	20,802,610	2,297,097	1,690,663	2,812,913	1,679,474	29,282,758	7.9%

Source: USAspending

Direct payment data can also be organized by county for individuals and businesses. Figure 38 lists direct payments for FFY 24 by county, indicating that individuals and businesses in Montgomery County received about 22% of all direct payments for the state, or \$8.3 billion. Following Montgomery County, counties with above \$2 billion were Baltimore, Prince George’s, Anne Arundel, and Howard Counties, as well as Baltimore City. Note that county totals don’t equal the direct payment total of \$37.7 billion for the state because, like grants, a portion of direct payments are coded as Maryland, or are not county specific, in the data source. These statewide or non-county specific amounts are indicated in the notes of **Figures 38** and **39**. **Figure 39** provides the same direct payment data for the 10-year period of 2015-24. The 10-year total is more evenly distributed among the top counties, compared to 2024 data, with Montgomery, Baltimore, Baltimore City, and Prince George’s all over \$30 billion for the 10-year period.

Figure 38: Federal Direct Payments by Maryland Counties (FFY 2024)

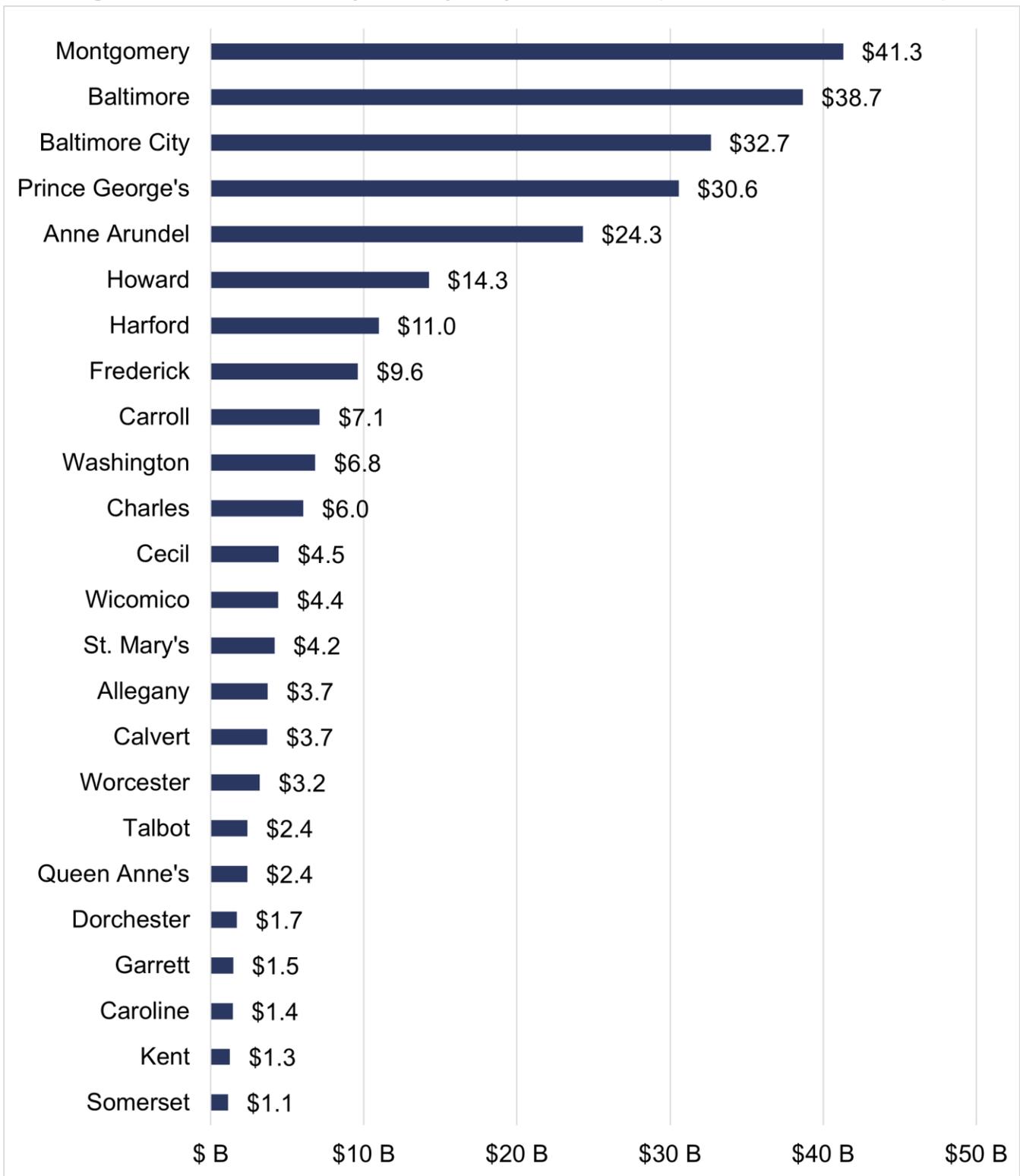


Source: USAspending

Note: Direct Payments awarded to multiple counties or not specified by USAspending total an additional \$1.4 B

[View as Table](#)

Figure 39: Federal Direct Payments by Maryland Counties (Cumulative FFY 2015 - 2024)



Source: USAspending

Note: Direct Payments awarded to multiple counties or unspecified by USAspending total an additional \$21.9 B

[View as Table](#)

Conclusion

In Maryland, the federal government has been a significant contributor to the state's economic growth, serving as a valued partner and source of competitive advantage for decades. The economic activity in Maryland created by the federal government and its activities is a major contributor to state and local tax revenues, which fund critical services statewide. If massive, across-the-board reductions in the federal government by the Trump Administration go through as planned, Maryland stands to lose a significant amount of jobs, business revenue, and tax base. The state will need to pivot substantially to maintain current and ultimately increased levels of economic output and performance.

These impacts were felt in the first 100 days of the Trump Administration, including the loss of 5,300 federal jobs in March and April, driven by across-the-board cuts at HHS. The elimination of USAID resulted in hundreds of job losses with USAID grantees and contractors that have jobs located in Maryland, including Johns Hopkins University, Catholic Relief Services, DAI Global, and ABT Global. There were also cuts to a range of grant programs at agencies from FEMA to AmeriCorps that fund Maryland organizations and support Maryland jobs.

Quantifying the economic impact of federal government cuts is essential to addressing the challenges facing Maryland. Such data will serve multiple purposes and will:

- help state and local governments manage and plan budgets and target assistance to affected workers, residents, businesses, and nonprofits;
- assist policymakers, business leaders, the public, and others with developing strategies for expanding and pursuing new economic opportunities for the state; and
- document Maryland's economic standing vis-à-vis the federal government to support any legal or other challenges to federal government actions.

In some cases, the impacts of federal actions will be felt immediately. In other cases, actions may take months or even years before materializing; or they may ultimately end up being muted due to court orders and other counter actions. The Office of the Comptroller is committed to working with state and local partners to monitor, track, and quantify the direct impacts of these actions to help position the state to weather an economic storm and emerge with a stronger, more resilient, and more diversified economy. This report is the first step in that process. Future releases in the coming weeks will include in-depth scenario analysis case studies that will measure the direct impact of federal government cuts on jobs and spending in Maryland and an interactive scenario analysis tool for use by stakeholders across the state.

APPENDIX A: FEDERAL SPENDING BY AGENCY AND COUNTY

This appendix assesses the Maryland counties with the greatest exposure to federal spending on contracts, grants, and direct payments. It also examines the agencies that spend the most money in these counties.

Combining awarded amounts for contracts, grants, and direct payments, the top three awarding agencies in Maryland are the Department of Defense (DoD), Social Security Administration (SSA), and the Department of Health and Human Services (HHS). Collectively, they contributed \$71 billion during FFY 2024, which is approximately 62% of total annual spending in Maryland of \$114.5 billion. A caveat to the grant data is that a large amount of grant funding is coded as statewide or is not county specific in the USAspending dataset, which means those funds are not captured in the county-level analysis presented here.

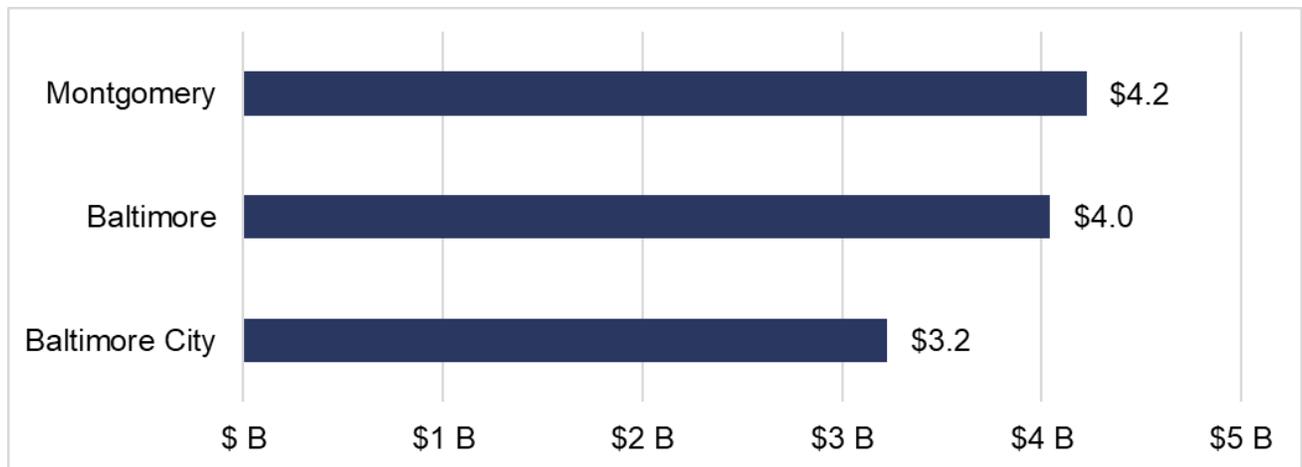
Figure 40 shows the top counties that received funds from each of the three top agencies. Montgomery County receives the most federal spending from the SSA and HHS, while Anne Arundel County receives the most federal spending from the DOD. Baltimore (City) and Baltimore County receive significant funding from the SSA and HHS, while St. Mary's and Montgomery Counties round out the top 3 for the DOD.

Figure 40: Top Federal Agency Spending by Top County Recipients (FFY 2024)

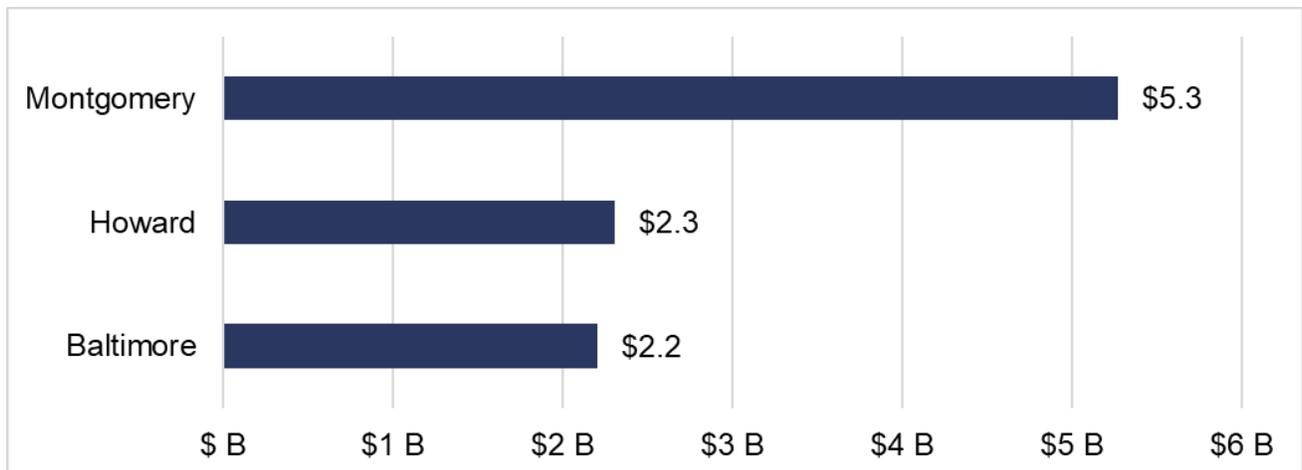
DoD Spending by County - Top 3 Recipients (FFY 2024)



SSA Spending by County - Top 3 Recipients (FFY 2024)



HHS Spending by County - Top 3 Recipients (FFY 2024)



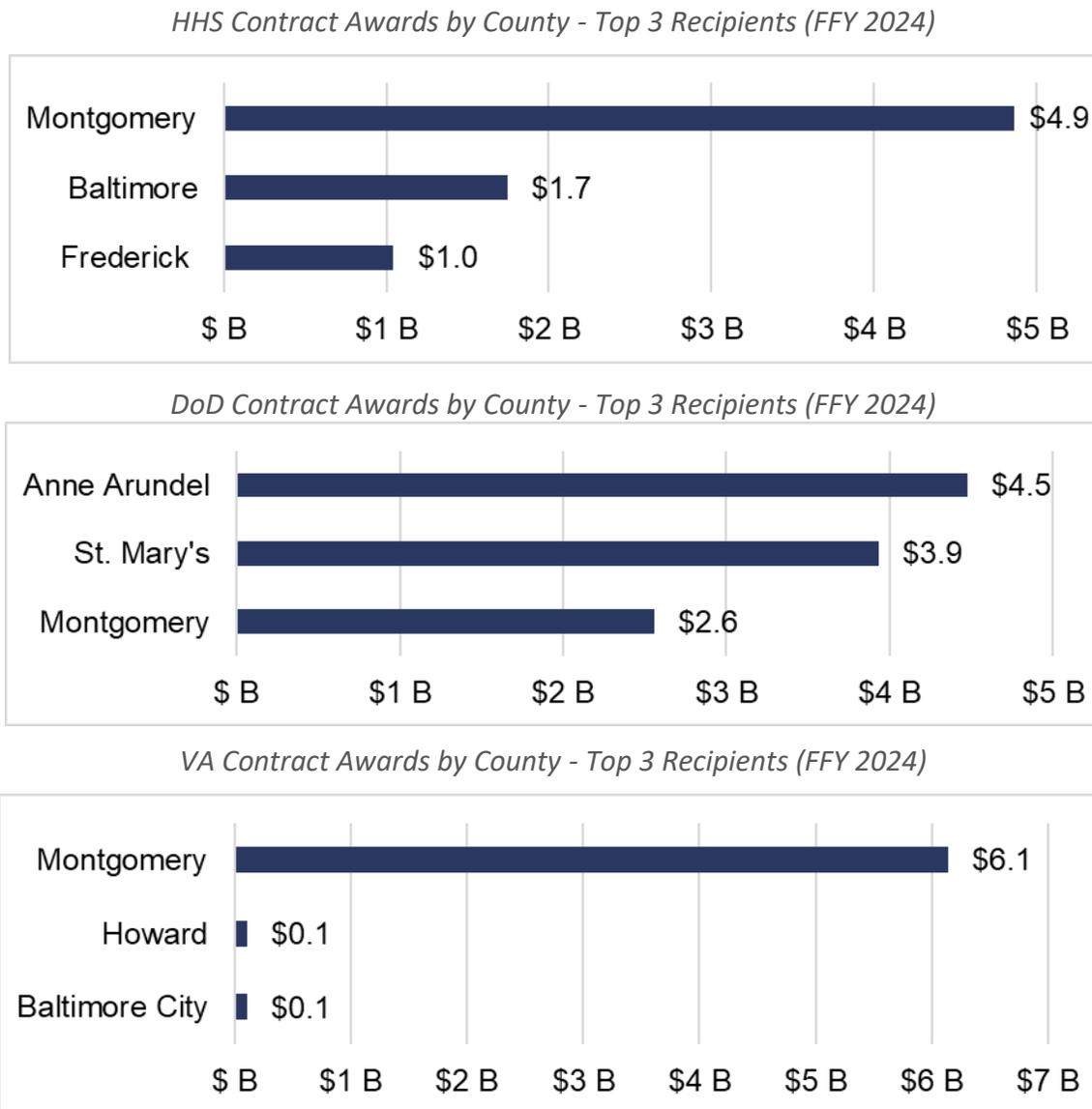
Source: USAspending

Note: See Appendix B for full list of agency names

[View as Table](#)

Figure 41 presents the top counties that received funds from the three leading contract awarding agencies, DoD, HHS, and VA, based on contract awards only.

Figure 41: Top Federal Agency Contract Awards by Top County Recipients (FFY 2024)



Source: USAspending

Note: See Appendix B for full list of agency names

[View as Table](#)

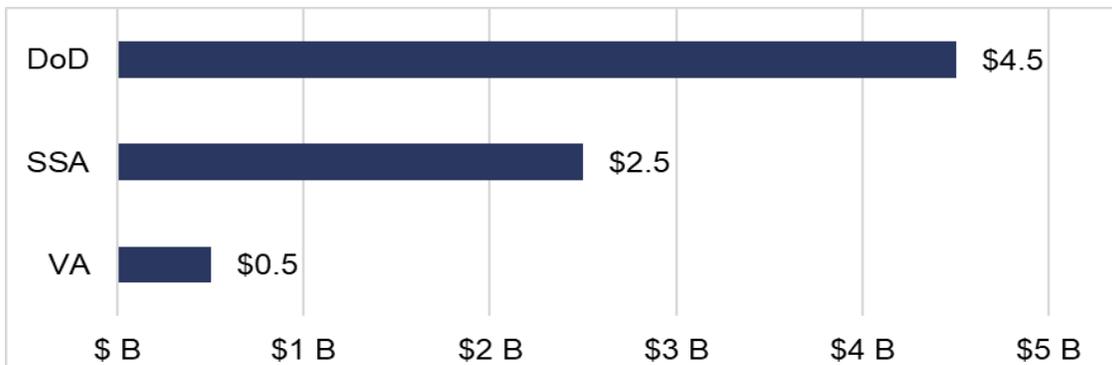
To further assess county-level exposure to federal government spending, the next set of charts presents the leading awarding agencies in each of the top five counties in the state (based on the total amount of federal funding received in FFY 2024). These counties are Montgomery County, Anne Arundel County, Baltimore County, Howard County, and Prince George’s County, categorized by grants and contracts (**Figure 42**) and by contracts only (**Figure 43**).

Figure 42: : Top Federal Agency Contract, Grant, Direct Payment Spending by Maryland County (FFY 2024)

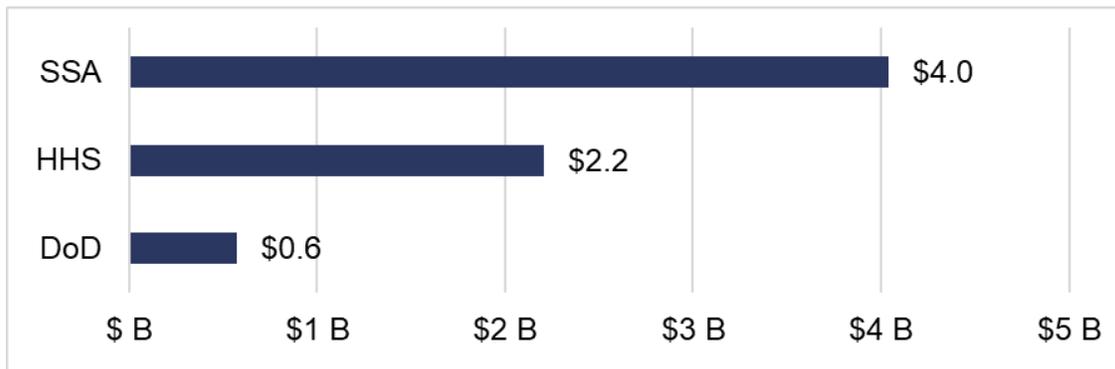
Top Federal Agency Spending in Montgomery County, Billions (FFY 2024)



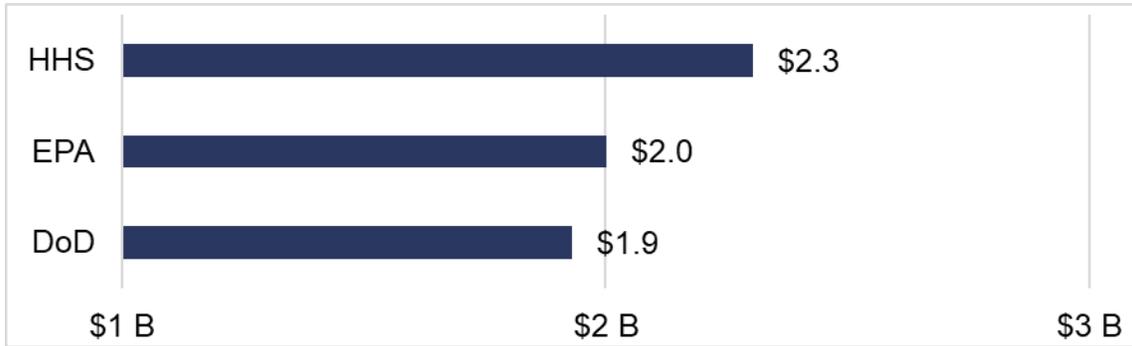
Top Federal Agency Spending in Anne Arundel County, Billions (FFY 2024)



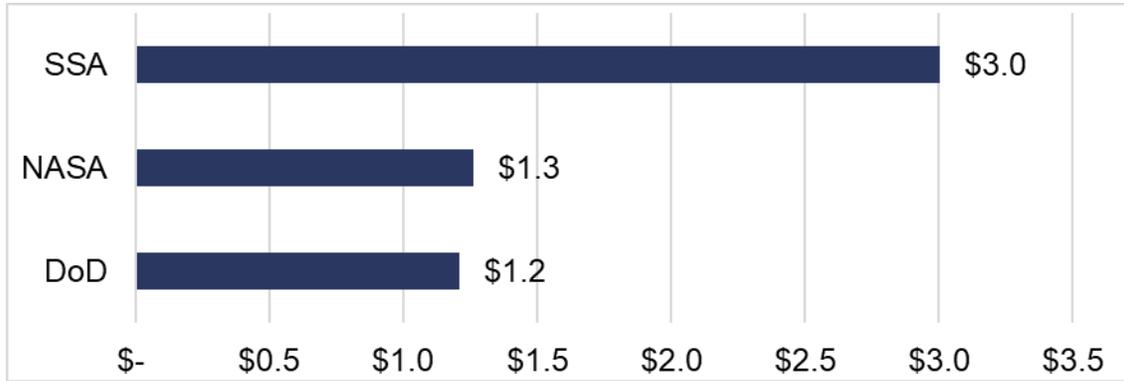
Top Federal Agency Spending in Baltimore County, Billions (FFY 2024)



Top Federal Agency Spending in Howard County, Billions (FFY 2024)



Top Federal Agency Spending in Prince George's County, Billions (FFY 2024)



Source: USAspending

Note: See Appendix B for full list of agency names

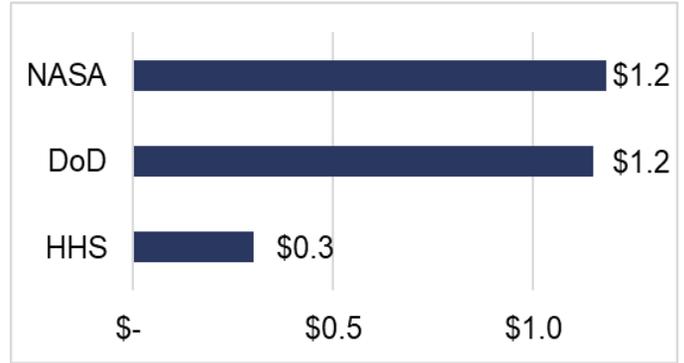
[View as Table](#)

Figure 43: Top Federal Agency Contract Awards in Top Maryland Counties (FFY 2024)

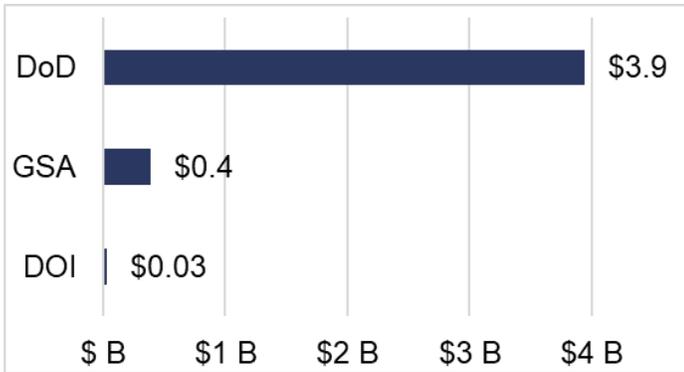
Top Federal Agency Spending in Montgomery County, Billions (FFY 2024)



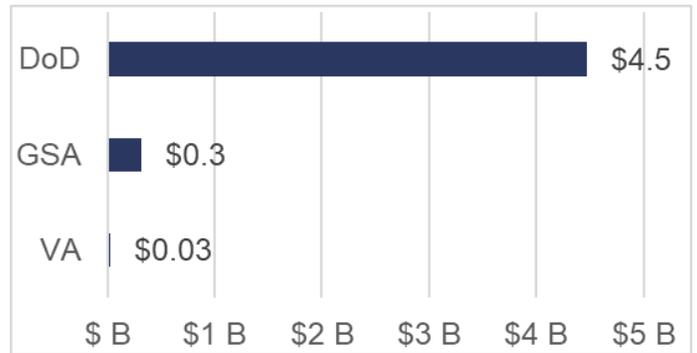
Top Federal Agency Contract Spending in Prince George's County, Billions (FFY 2024)



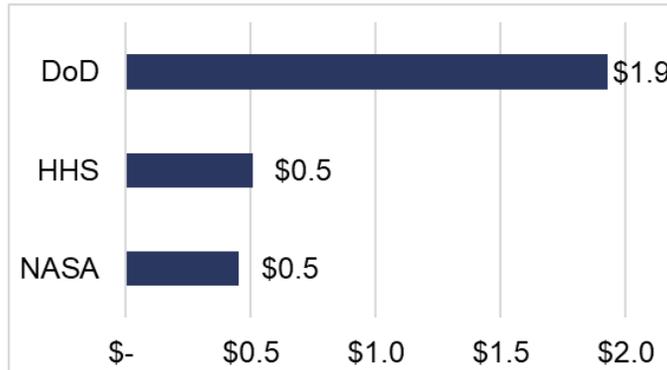
Top Federal Agency Contract Spending in St. Mary's County, Billions (FFY 2024)



Top Federal Agency Contract Spending in Anne Arundel County, Billions (FFY 2024)



Top Federal Agency Contract Spending in Howard County, Billions (FFY 2024)



Source: USAspending

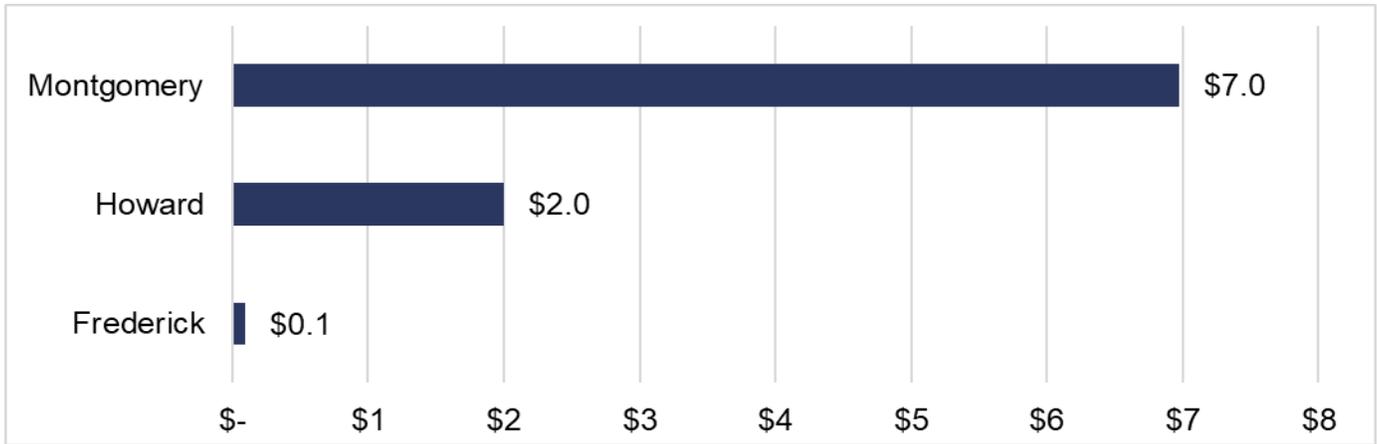
Note: See Appendix B for full list of agency names

[View as Table](#)

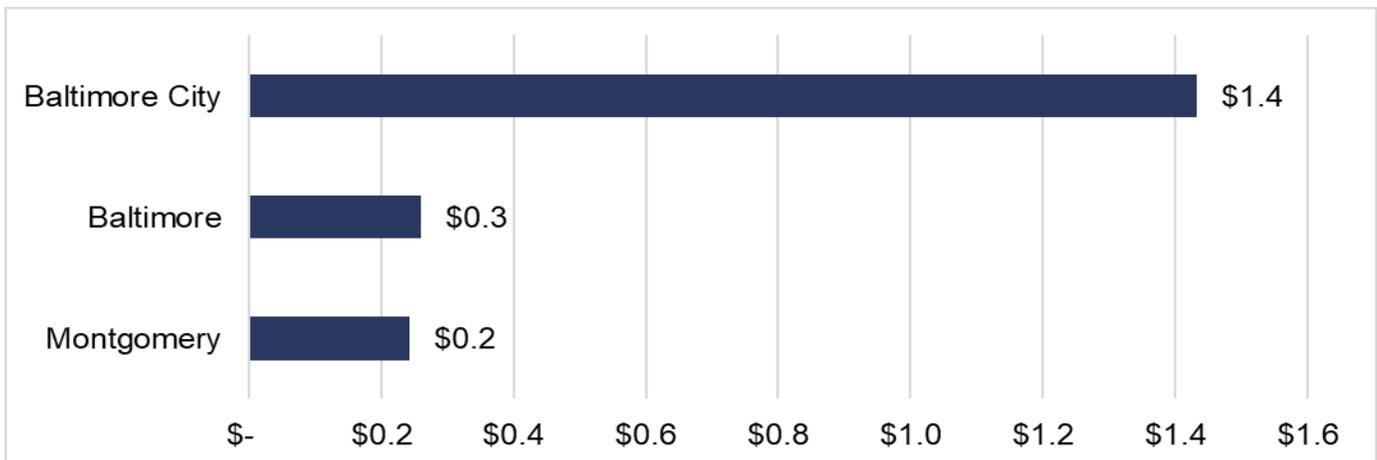
Figures 44 and 45 display the leading counties where grants are awarded by awarding agencies, as well as the top awarding agencies in each of the top five counties.

Figure 44: Largest Agency Grant Awards in Largest Host Counties (FFY 2024)

EPA Grant Awards by County - Top 3 Recipients, Billions (FFY 2024)



HHS Grant Awards by County - Top 3 Recipients, Billions (FFY 2024)



DOT Grant Awards by County - Top 3 Recipients, Billions (FFY 2024)



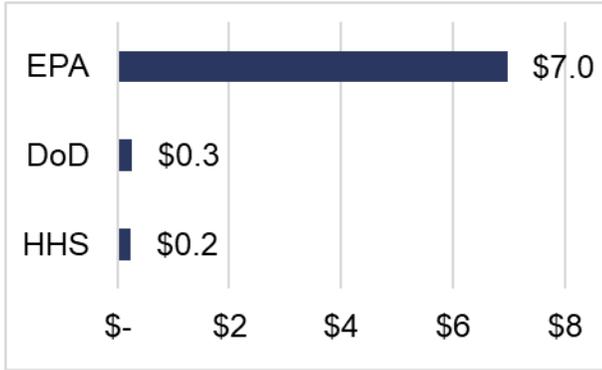
Source: USAspending

Note: See Appendix B for full list of agency names

[View as Table](#)

Figure 45: Largest Grant Awards by Agency to Largest Host Counties (FFY 2024)

Top Grant Awarding Federal Agencies to Montgomery County, Billions (FFY 2024)



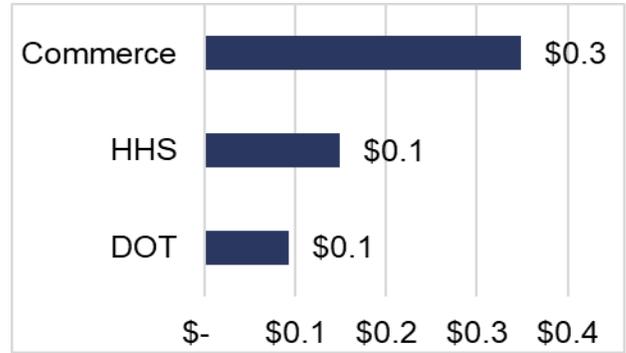
Top Grant Awarding Federal Agencies to Baltimore City, Billions (FFY 2024)



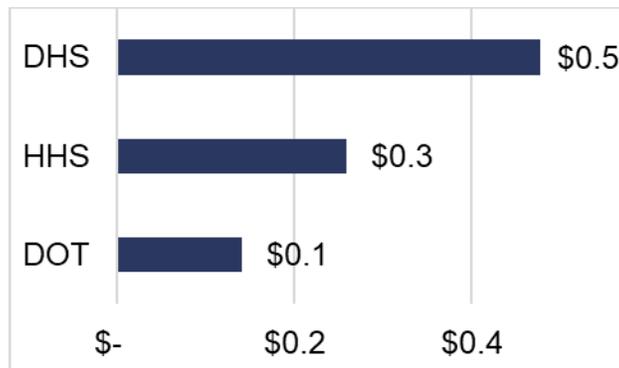
Top Grant Awarding Federal Agencies to Howard County, Billions (FFY 2024)



Top Grant Awarding Federal Agencies to Prince George's County, Billions (FFY 2024)



Top Grant Awarding Federal Agencies to Baltimore County, Billions (FFY 2024)



Source: USAspending

Note: See Appendix B for full list of agency names

[View as Table](#)

APPENDIX B: FEDERAL AGENCY ACRONYMS

Agency	Acronym
Agency for International Development	USAID
Court Services and Offender Supervision Agency	CSOSA
Department of Agriculture	USDA
Department of Commerce	Commerce
Department of Education	Ed
Department of Energy	DOE
Department of Health and Human Services	HHS
Department of Homeland Security	DHS
Department of Housing and Urban Development	HUD
Department of the Interior	DOI
Department of Justice	DOJ
Department of Labor	DOL
Department of State	State Dept
Department of the Treasury	Treasury
Department of Transportation	DOT
Department of Veterans Affairs	VA
Environmental Protection Agency	EPA
Federal Communications Commission	FCC
General Services Administration	GSA
National Aeronautics and Space Administration	NASA
National Archives and Records Administration	NARA
National Endowment for the Humanities	NEH
National Science Foundation	NSF
Nuclear Regulatory Commission	NRC
Pension Benefit Guaranty Corporation	PBGC
Small Business Administration	SBA
Social Security Administration	SSA

APPENDIX C: FIGURES IN TABLE FORM

Figure 3: Average Federal Civilian and Private Sector Salaries (Calendar Year 2023)

State	Average Private Sector Salary	Average Federal Salary
Maryland	\$ 73,174	\$ 126,468
Virginia	74,269	111,497
Washington, D.C.	112,048	136,235
United States	72,608	94,874

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

[View Chart](#)

Figure 4: Salary Distribution for Federal Jobs Located in Maryland versus the U.S. (FFY 2023)

Salary (thousands)	Percent of Federal Jobs in Maryland	Percent of Federal Jobs Overall
<\$20 K	0.0%	0.0%
\$20-30 K	0.0%	0.1%
\$30-40 K	0.5%	2.9%
\$40-50 K	1.6%	7.7%
\$50-60 K	4.1%	9.7%
\$60-70 K	4.5%	10.4%
\$70-80 K	4.4%	9.1%
\$80-90 K	4.4%	8.9%
\$90-100 K	5.9%	8.7%
\$100-110 K	6.7%	8.9%
\$110-120 K	9.2%	7.1%
\$120-130 K	8.4%	6.1%
\$130-140 K	9.0%	4.5%
\$140-150 K	10.4%	4.0%
\$150-160 K	7.9%	2.9%
\$160-170 K	4.4%	1.8%
\$170-180 K	6.7%	1.8%
\$180-190 K	8.0%	2.1%
\$190-200 K	0.8%	0.5%
\$200-210 K	1.1%	0.6%
\$220-230 K	0.6%	0.4%
\$240-260 K	0.5%	0.4%
\$260-280 K	0.3%	0.3%
\$280-300 K	0.2%	0.2%
\$300-350 K	0.2%	0.4%
\$350-400 K	0.1%	0.2%
\$400-450 K	0.0%	0.0%
\$450-500 K	0.0%	0.0%

Source: Office of Personnel Management

[View Chart](#)

Figure 5: Age Distribution of Federal Employees Employed in Maryland vs U.S. (FFY 2023)

Age	Percent Maryland	Percent U.S.
<20	0.1%	0.1%
20-24	1.5%	2.3%
25-29	4.4%	6.1%
30-34	7.7%	9.3%
35-39	12.0%	12.6%
40-44	14.2%	14.6%
45-49	13.0%	13.1%
50-54	13.9%	13.6%
55-59	14.5%	13.2%
60-64	11.0%	9.6%
65+	7.7%	5.6%

Source: Office of Personnel Management

[View Chart](#)

Figure 6: Education Level of Federal Employees Employed in Maryland vs U.S. (FFY 2023)

Education	Percent Maryland	Percent U.S.
Below High School	0.9%	1.9%
High School	21.3%	29.0%
Some College	10.3%	16.5%
Bachelors	36.4%	31.2%
Masters	25.3%	17.2%
Doctorate	5.5%	4.1%

Source: Office of Personnel Management

[View Chart](#)

Figure 7: Federal Employment in Maryland, Virginia, and Washington, D.C. (FFY 2018 - 2024)

Year	Maryland	Virginia	Washington, D.C.
2018	128,820	133,807	149,738
2019	128,292	135,880	148,904
2020	130,746	138,023	153,069
2021	135,304	139,416	157,557
2022	137,902	140,130	163,940
2023	141,397	142,534	161,773
2024	143,694	145,994	162,483

Source: Office of Personnel Management

[View Chart](#)

Figure 9: Location of Federal Jobs and Residents (FFY 2023)

State	Number of Federal Jobs (QCEW)	Number of Federal Jobs Held by Marylanders (QCEW-LODES)	Percent of Federal Jobs Held by Marylanders
Maryland	158,475	128,335	81%
Virginia	189,324	22,479	12%
Washington, D.C.	190,617	78,395	41%
Total	538,416	229,209	

Sources: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW); Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES)

[View Chart](#)

Figure 10: Location of Federal Jobs and Federal Employees in Maryland Counties (FFY 2023)

County	Number of Federal Jobs in County (QCEW)	Number of Federal Employees Residing in County (QCEW-LODES)
Allegany	480	491
Anne Arundel	15,676	21,107
Baltimore City	12,189	10,014
Baltimore	11,446	16,919
Calvert	392	3,093
Caroline	65	493
Carroll	789	3,576
Cecil	2,920	2,341
Charles	3,711	15,574
Dorchester	194	386
Frederick	4,726	9,178
Garrett	68	190
Harford	11,432	11,267
Howard	1,854	13,252
Kent	61	175
Montgomery	48,461	54,729
Prince Georges	30,399	54,379
Queen Anne's	133	954
St. Mary's	10,297	7,881
Somerset	49	124
Talbot	209	636
Washington	608	2,311
Wicomico	283	618
Worcester	211	424

Sources: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW); Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES)

[View Chart](#)

Figure 11: W-2s Issued by the Federal Government in Maryland Counties (TY 2023)

County	W-2s Issued by the Federal Government
Allegany	666
Anne Arundel	33,663
Baltimore City	11,356
Baltimore	20,136
Calvert	6,556
Caroline	485
Carroll	5,554
Cecil	3,063
Charles	16,106
Dorchester	412
Frederick	11,550
Garrett	312
Harford	11,410
Howard	18,716
Kent	208
Montgomery	55,973
Prince George's	55,065
Queen Anne's	1,546
St. Mary's	11,089
Somerset	214
Talbot	503
Washington	3,279
Wicomico	947
Worcester	639

Source: Comptroller of Maryland

[View Chart](#)

Figure 12: Share of Gross Income from Federal Wages by County (TY 2023)

County	Share of Gross Income from Federal Wages
Allegany	2.1%
Anne Arundel	10.5%
Baltimore City	5.5%
Baltimore	4.4%
Calvert	14.8%
Caroline	3.4%
Carroll	6.4%
Cecil	6.6%
Charles	22.0%
Dorchester	2.7%
Frederick	8.2%
Garrett	1.9%
Harford	8.7%
Howard	9.7%
Kent	1.7%
Montgomery	9.1%
Prince George's	15.6%
Queen Anne's	5.1%
St. Mary's	22.0%
Somerset	2.2%
Talbot	1.8%
Washington	5.0%
Wicomico	1.6%
Worcester	1.8%

Source: Comptroller of Maryland

[View Chart](#)

**Figure 13: Federal Agencies that Employ the Most Marylanders by County of Residence
(Top 5 Agencies, FFY 2023)**

County	Agency	Employment
Montgomery County	Commerce	4,209
Prince George's County	Commerce	2,378
Baltimore County	Commerce	1,350
Howard County	Commerce	1,026
Anne Arundel County	Commerce	1,015
All Other Counties	Commerce	2,892
Prince George's County	DHS	5,209
Montgomery County	DHS	4,598
Anne Arundel County	DHS	1,240
Howard County	DHS	783
Baltimore County	DHS	745
All Other Counties	DHS	3,117
Montgomery County	DoD	16,932
Prince George's County	DoD	12,294
Baltimore County	DoD	4,813
Anne Arundel County	DoD	4,151
Howard County	DoD	3,843
All Other Counties	DoD	12,413
Prince George's County	DOJ	3,653
Montgomery County	DOJ	2,743
Anne Arundel County	DOJ	771
Howard County	DOJ	393
Baltimore County	DOJ	284
All Other Counties	DOJ	1,807
Montgomery County	HHS	11,528
Prince George's County	HHS	5,512
Baltimore County	HHS	3,944
Howard County	HHS	2,925
Anne Arundel County	HHS	2,747
All Other Counties	HHS	7,748

Sources: Office of Personnel Management; Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES)

[View Chart](#)

**Figure 14: County Residence of Maryland Federal Employees by Agency Employers
(Top 5 Counties, FFY 2023)**

County	Agency	Employment
Montgomery County	DoD	16,932
Montgomery County	HHS	11,528
Montgomery County	DHS	4,598
Montgomery County	Commerce	4,209
Montgomery County	DoJ	2,743
Montgomery County	All Other Departments	21,648
Prince George's County	DoD	12,294
Prince George's County	HHS	5,512
Prince George's County	DHS	5,209
Prince George's County	DoJ	3,653
Prince George's County	Commerce	2,378
Prince George's County	All Other Departments	19,880
Baltimore County	DoD	4,813
Baltimore County	HHS	3,944
Baltimore County	Commerce	1,350
Baltimore County	DHS	745
Baltimore County	DoJ	284
Baltimore County	All Other Departments	4,791
Anne Arundel County	DoD	4,151
Anne Arundel County	HHS	2,747
Anne Arundel County	DHS	1,240
Anne Arundel County	Commerce	1,015
Anne Arundel County	DoJ	771
Anne Arundel County	All Other Departments	5,606
Howard County	DoD	3,843
Howard County	HHS	2,925
Howard County	Commerce	1,026
Howard County	DHS	783
Howard County	DoJ	393
Howard County	All Other Departments	4,282

Sources: Office of Personnel Management;

Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES)

Note: See Appendix B for full list of agency names

[View Chart](#)

Figure 16: Federal Spending in Maryland by Expenditure Type (FFY 2015 - 2024)

Year	Contract (percent of total)	Grant (percent of total)	Direct Payment (percent of total)	Total (billions)
2015	48%	19%	33%	\$ 60.0
2016	47%	20%	33%	64.1
2017	46%	21%	33%	66.8
2018	47%	20%	33%	70.8
2019	47%	20%	32%	75.1
2020	48%	19%	33%	91.9
2021	40%	24%	37%	98.7
2022	45%	21%	34%	93.7
2023	43%	23%	34%	97.8
2024	40%	27%	33%	114.5

Source: USAspending

[View Chart](#)

Figure 17: Federal Spending in Maryland by Expenditure Type (FFY 2015 - 2024)

Year	Contract (percent of total)	Grant (percent of total)	Direct Payment (percent of total)	Total (billions)
2015	48%	19%	33%	\$ 60.0
2016	47%	20%	33%	64.1
2017	46%	21%	33%	66.8
2018	47%	20%	33%	70.8
2019	47%	20%	32%	75.1
2020	48%	19%	33%	91.9
2021	40%	24%	37%	98.7
2022	45%	21%	34%	93.7
2023	43%	23%	34%	97.8
2024	40%	27%	33%	114.5

Source: USAspending

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Figure 18: Federal Agency Spending in Maryland by Expenditure Type (FFY 2024)

Agency	Contracts (billions)	Grants (billions)	Direct Payments (billions)
SSA	\$ 1.2	\$ 0.0	\$ 25.7
HHS	8.7	14.8	1.6
DoD	18.4	0.6	-
VA	6.5	0.0	3.3
EPA	0.0	9.4	-
PBGC	0.0	-	3.5
USDA	0.3	0.8	1.4
DOT	0.6	1.6	0.0
DHS	1.6	0.5	0.0
NASA	1.9	0.2	-

Source: USAspending

Note: See Appendix B for full list of agency names

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Figure 19: Federal Agency Spending in Maryland by Expenditure Type (Cumulative FFY 2015 - 2024)

Agency	Contracts (billions)	Grants (billions)	Direct Payments (billions)
HHS	\$ 84.2	\$ 117.7	\$ 16.1
SSA	9.8	0.0	194.3
DoD	157.3	5.7	0.0
VA	20.3	0.3	19.7
USDA	2.1	6.6	16.6
Treasury	11.0	0.2	9.3
Commerce	18.4	1.3	-
NASA	18.0	1.6	-
DOT	5.9	11.9	0.0
Ed	1.1	12.3	4.1

Source: USAspending

Note: See Appendix B for full list of agency names

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Figure 20: Federal Spending in Maryland Counties by Expenditure Type (FFY 2024)

County	Contracts - value (millions)	Grants - value (millions)	Direct Payments - value (millions)	Total - value (millions)
Kent	\$ 1.5	\$ 9.7	\$ 157.1	\$ 168.3
Somerset	8.9	49.4	137.4	195.7
Caroline	0.1	21.4	187.0	208.5
Garrett	(2.7)	34.4	187.3	219.0
Dorchester	46.4	15.9	220.2	282.4
Queen Anne's	30.8	15.5	332.0	378.4
Talbot	115.0	11.1	307.7	433.7
Worcester	8.4	12.8	426.1	447.2
Allegany	15.4	23.0	443.3	481.7
Calvert	46.1	9.4	531.9	587.4
Wicomico	13.3	49.6	561.4	624.3
Cecil	57.6	16.3	591.2	665.1
Washington	48.4	98.9	872.7	1,020.0
Carroll	67.9	31.0	958.3	1,057.2
Charles	404.0	71.8	884.9	1,360.7
Frederick	1,801.5	140.9	1,372.3	3,314.6
Harford	2,391.8	14.0	1,501.0	3,906.8
St. Mary's	4,371.3	24.4	607.0	5,002.7
Baltimore City	2,464.4	2,963.2	2,127.2	7,554.8
Baltimore	2,514.2	988.5	4,819.5	8,322.2
Anne Arundel	5,246.4	188.5	3,395.3	8,830.2
Howard	3,819.2	2,097.5	3,276.1	9,192.8
Prince George's	5,330.6	1,022.1	4,036.4	10,389.0
Montgomery	17,441.6	7,898.0	8,304.2	33,643.8
Maryland (Grants and Direct Payments awarded to multiple counties or not specified by USAspending)	-	14,775.1	1,409.7	16,184.8

Source: USAspending

Note: Grants and Direct Payments awarded to multiple counties or not specified by USAspending total an additional \$14.8 B (Grants) and \$1.4 B (Direct Payments)

[View Chart](#)

**Figure 21: Federal Agency Spending in Maryland Counties by Expenditure Type
(Cumulative FFY 2015 - 2024)**

County	Contracts - value (millions)	Grants - value (millions)	Direct Payments - value (millions)	Total - value (millions)
Kent	\$ 5.4	\$ 43.4	\$ 1,260.4	\$ 1,309.2
Somerset	43.3	358.8	1,126.6	1,528.7
Caroline	3.2	120.2	1,438.2	1,561.6
Garrett	138.6	264.8	1,468.2	1,871.6
Dorchester	128.0	136.9	1,715.0	1,979.8
Talbot	976.4	157.4	2,394.3	3,528.0
Worcester	142.4	215.7	3,210.7	3,568.8
Calvert	292.1	100.0	3,703.0	4,095.1
Allegany	99.1	319.7	3,722.0	4,140.8
Wicomico	256.7	413.5	4,404.7	5,074.9
Cecil	922.5	195.6	4,450.3	5,568.4
Queen Anne's	3,396.7	86.5	2,392.4	5,875.6
Carroll	349.3	323.5	7,113.0	7,785.8
Washington	694.6	597.5	6,824.9	8,117.0
Charles	3,118.1	158.2	6,041.1	9,317.4
Frederick	15,978.9	709.6	9,601.2	26,289.7
St. Mary's	27,869.8	272.2	4,171.1	32,313.1
Harford	21,502.1	206.0	10,978.8	32,686.9
Howard	26,469.2	3,097.9	14,255.3	43,822.4
Anne Arundel	41,448.3	5,403.0	24,313.6	71,164.9
Baltimore	36,296.8	6,447.6	38,671.6	81,416.0
Prince George's	53,378.0	6,485.5	30,572.9	90,436.4
Baltimore City	21,108.9	41,084.5	32,656.7	94,850.1
Montgomery	117,244.1	16,508.3	41,314.2	175,066.6
Maryland (Grants and Direct Payments awarded to multiple counties or not specified by USAspending)	-	98,016.6	21,892.9	119,909.5

Source: USAspending

Note: Grants and Direct Payments awarded to multiple counties or unspecified by USAspending total an additional \$98 B (Grants) and \$21.9 B (Direct Payments)

[View Chart](#)

Figure 22: Top 10 Federal Agency Contracts Awarded in Maryland (FFY 2024)

Agency	Spending (billions)
DoD	\$ 18.4
HHS	8.7
VA	6.5
NASA	1.9
Commerce	1.6
DHS	1.6
Treasury	1.6
GSA	1.4
SSA	1.2
DOI	0.7
DOT	0.6
DOJ	0.5
Other	0.4
USDA	0.3
USAID	0.3
State Dept.	0.2
NRC	0.1
DOE	0.1
NARA	0.1
Ed	0.1
DOL	0.1

Source: USAspending

Note: See [Appendix B](#) for full list of agency names

[View Chart](#)

Figure 23: Federal Contract Awards in Maryland, Defense versus Non-Defense (FFY 2015 - 2024)

Year	Defense Spending (billions)	Non-Defense Spending (billions)
2015	\$ 13.5	\$ 15.2
2016	13.4	16.8
2017	13.9	16.8
2018	16.1	17.5
2019	16.5	19.1
2020	20.9	23.0
2021	16.4	22.8
2022	17.2	24.9
2023	19.1	22.5
2024	20.0	26.3

Source: USAspending

[View Chart](#)

Figure 25: Number of Federal Contracts Awarded in Maryland by Dollar Range (FFY 2024)

Contract Value	Number of Federal Contracts
\$0 - \$25K	3,327
\$25K - \$50K	1,370
\$50K - \$100K	1,305
\$100K - 500K	2,528
\$500K - \$1M	1,001
\$1M - \$10M	2,311
\$10M - \$100M	605
\$100M - \$500M	53
\$500M - \$1B	3
>\$1B	3

Source: USAspending

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Figure 27: Federal Contract Awards by Maryland County (FFY 2024)

County	Contract Value (millions)
Garrett	\$ -2.74
Caroline	0.1
Kent	1.5
Worcester	8.4
Somerset	8.9
Wicomico	13.3
Allegany	15.4
Queen Anne's	30.8
Calvert	46.1
Dorchester	46.4
Washington	48.4
Cecil	57.6
Carroll	67.9
Talbot	115.0
Charles	404.0
Frederick	1,801.5
Harford	2,391.8
Baltimore City	2,464.4
Baltimore	2,514.2
Howard	3,819.2
St. Mary's	4,371.3
Anne Arundel	5,246.4
Prince Georges	5,330.6
Montgomery	17,441.6

Source: USAspending

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Figure 28: Federal Contract Awards by Maryland County (FFY 2015 - 2024)

County	Contracts (millions)
Caroline	\$ 3.2
Kent	5.4
Somerset	43.3
Allegany	99.1
Dorchester	128.0
Garrett	138.6
Worcester	142.4
Wicomico	256.7
Calvert	292.1
Carroll	349.3
Washington	694.6
Cecil	922.5
Talbot	976.4
Charles	3,118.1
Queen Anne's	3,396.7
Frederick	15,978.9
Baltimore City	21,108.9
Harford	21,502.1
Howard	26,469.2
St. Mary's	27,869.8
Baltimore	36,296.8
Anne Arundel	41,448.3
Prince George's	53,378.0
Montgomery	117,244.1

Source: USAspending

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Figure 29: Top 10 Federal Agency Grants Awarded in Maryland (FFY 2024)

Agency	Spending (billions)
HHS	\$ 14.8
EPA	9.4
DOT	1.6
Ed	1.0
USDA	0.8
DoD	0.6
DHS	0.5
Commerce	0.4
HUD	0.3
Other	0.3

Source: USAspending

Note: See [Appendix B](#) for full list of agency names

[View Chart](#)

Figure 31: Number of Federal Grant Awards in Maryland by Dollar Range (FFY 2024)

Contract Value	Agency Grants
\$0 - \$25K	260
\$25K - \$50K	78
\$50K - \$100K	107
\$100K - 500K	369
\$500K - \$1M	173
\$1M - \$10M	328
\$10M - \$100M	70
\$100M - \$500M	12
\$500M - \$1B	6
>\$1B	3

Source: USAspending

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Figure 33: Federal Grant Awards by Maryland County (FFY 2024)

County	Grant Value (millions)
Calvert	\$ 9.4
Kent	9.7
Talbot	11.1
Worcester	12.8
Harford	14.0
Queen Anne's	15.5
Dorchester	15.9
Cecil	16.3
Caroline	21.4
Allegany	23.0
St. Mary's	24.4
Carroll	31.0
Garrett	34.4
Somerset	49.4
Wicomico	49.6
Charles	71.8
Washington	98.9
Frederick	140.9
Anne Arundel	188.5
Baltimore	988.5
Prince George's	1,022.1
Howard	2,097.5
Baltimore City	2,963.2
Montgomery	7,898.0
Maryland (Grants awarded to multiple counties or not specified by USAspending)	14,775.1

Source: USAspending

Note: Grants awarded to multiple counties or not specified by USAspending total an additional \$14.8 B

[View Chart](#)

Figure 34: Federal Grant Awards by Maryland County (Cumulative FFY 2015 - 2024)

County	Grant Value (millions)
Kent	\$ 43.4
Queen Anne's	86.5
Calvert	100.0
Caroline	120.2
Dorchester	136.9
Talbot	157.4
Charles	158.2
Cecil	195.6
Harford	206.0
Worcester	215.7
Garrett	264.8
St. Mary's	272.2
Allegany	319.7
Carroll	323.5
Somerset	358.8
Wicomico	413.5
Washington	597.5
Frederick	709.6
Howard	3,097.9
Anne Arundel	5,403.0
Baltimore	6,447.6
Prince George's	6,485.5
Montgomery	16,508.3
Baltimore City	41,084.5
Maryland (grants awarded to multiple counties or not specified by USAspending)	98,016.6

Source: USAspending

Note: Grants awarded to multiple counties or unspecified by USAspending total an additional \$98 B

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**Figure 35: Federal Direct Payments to Maryland, Specified Use versus Unrestricted Use
(FFY 2016 - 2024)**

Fiscal Year	Specified Use	Unrestricted Use
2016	\$ 4,585,672,873	\$ 16,338,439,152
2017	3,586,327,605	18,492,621,130
2018	3,559,066,836	19,505,363,965
2019	3,519,321,943	20,725,172,603
2020	7,749,626,069	22,388,399,943
2021	13,499,495,102	22,733,064,497
2022	7,796,320,478	24,520,344,634
2023	6,048,975,125	27,130,529,185
2024	8,360,478,475	29,286,772,960

Source: USAspending

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Figure 38: Federal Direct Payments by Maryland Counties (FFY 2024)

County	Direct Payments - value (millions)
Somerset	\$ 137.4
Kent	157.1
Caroline	187.0
Garrett	187.3
Dorchester	220.2
Talbot	307.7
Queen Anne's	332.0
Worcester	426.1
Allegany	443.3
Calvert	531.9
Wicomico	561.4
Cecil	591.2
St. Mary's	607.0
Washington	872.7
Charles	884.9
Carroll	958.3
Frederick	1,372.3
Harford	1,501.0
Baltimore City	2,127.2
Howard	3,276.1
Anne Arundel	3,395.3
Prince George's	4,036.4
Baltimore	4,819.5
Montgomery	8,304.2
Maryland (Grants awarded to multiple counties or not specified by USAspending)	1,409.7

Source: USAspending

Note: Direct Payments awarded to multiple counties or not specified by USAspending total an additional \$1.4 B

[View Chart](#)

Figure 39: Federal Direct Payments by Maryland Counties (Cumulative FFY 2015 - 2024)

County	Direct Payments - value (millions)
Somerset	\$ 1,126.6
Kent	1,260.4
Caroline	1,438.2
Garrett	1,468.2
Dorchester	1,715.0
Queen Anne's	2,392.4
Talbot	2,394.3
Worcester	3,210.7
Calvert	3,703.0
Allegany	3,722.0
St. Mary's	4,171.1
Wicomico	4,404.7
Cecil	4,450.3
Charles	6,041.1
Washington	6,824.9
Carroll	7,113.0
Frederick	9,601.2
Harford	10,978.8
Howard	14,255.3
Anne Arundel	24,313.6
Prince George's	30,572.9
Baltimore City	32,656.7
Baltimore	38,671.6
Montgomery	41,314.2
Maryland (grants awarded to multiple counties or not specified by USAspending)	21,892.9

Source: USAspending

Note: Direct Payments awarded to multiple counties or unspecified by USAspending total an additional \$21.9 B

[View Chart](#)

Figure 40: Top Federal Agency Spending by Top County Recipients (FFY 2024)

County	Social Security Administration Spending (billions)	Department of Health and Human Services Spending (billions)	Department of Defense Spending (billions)
Montgomery	\$ 4.2	\$ 5.3	\$ 2.8
Baltimore	4.0	2	1
Anne Arundel	2.5	0	5
Howard	1.3	2	2
Baltimore City	3.2	1	1
St. Mary's	0.4	0	4

Source: USAspending

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Figure 41: Top Federal Agency Contract Awards by Top County Recipients (FFY 2024)

County	Department of Defense Contract Awards - value (billions)	Department of Health and Human Services Contract Awards - value (billions)	Department of Veterans Affairs Contract Awards - value (billions)
Montgomery	\$ 2.6	\$ 4.9	\$ 6.1
Baltimore	0.6	1.7	0.0
Anne Arundel	4.5	0.0	0.0
Howard	1.9	0.5	0.1
Baltimore City	0.7	0.1	0.1
Frederick	0.4	1.0	0.1
St. Mary's	3.9	0.0	0.0

Source: USAspending

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Figure 42: Top Spending Federal Agencies by Maryland County (FFY 2024)

Agency	Top Federal Spending in Montgomery County - value (billions)	Top Federal Spending in Prince George's County - value (billions)	Top Federal Spending in Howard County - value (billions)	Top Federal Spending in Anne Arundel County - value (billions)	Top Federal Spending in Baltimore County - value (billions)
Social Security Administration	\$ 4.2	\$ 3.0	\$ 1.3	\$ 2.5	\$ 4.0
Department of Health and Human Services	5.3	0.4	2.3	0.4	2.2
Department of Defense	2.8	1.2	1.9	4.5	0.6
Department of Veterans Affairs	6.4	0.7	0.3	0.5	0.3
Environmental Protection Agency	7.0	0.0	2.0	0.0	0.0
National Aeronautics and Space Administration	0.0	1.3	0.5	0.0	0.0
Department of Education	0.2	0.2	0.0	0.0	0.1

Source: USAspending

[View Chart](#)

Figure 43: Top Federal Agency Contract Awards in Top Maryland Counties (FFY 2024)

Agency	Federal Contract Awards to Montgomery County - value (billions)	Federal Contract Awards to Prince George's County - value (billions)	Federal Contract Awards to Anne Arundel County - value (billions)	Federal Contract Awards to St. Mary's County - value (billions)	Federal Contract Awards to Howard County - value (billions)
Department of Health and Human Services	\$ 4.9	\$ 0.3	\$ 0.0	\$ -	\$ 0.5
Department of Defense	2.6	1.2	4.5	3.9	1.9
Department of Veterans Affairs	6.1	0.0	0.0	-	0.1
National Aeronautics and Space Administration	0.0	1.2	0.0	0.0	0.5
Department of Education	0.1	0.0	-	-	0.0
General Services Administration	0.2	0.1	0.3	0.4	0.0
Department of the Interior	0.5	0.0	0.0	0.0	0.0

Source: USAspending

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Figure 44: Largest Agency Grant Awards in Largest Host Counties (FFY 2024)

County	Environmental Protection Agency Grant Awards - value (billions)	Department of Health and Human Services Grant Awards - value (billions)	Department of Transportation Grant Awards - value (billions)
Montgomery	\$ 7.0	\$ 0.2	\$ 0.1
Baltimore	0.0	0.3	0.1
Prince George's	0.0	0.1	0.1
Howard	2.0	0.0	0.0
Baltimore City	0.1	1.4	0.1
Frederick	0.1	0.0	0.0

Source: USAspending

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Figure 45: Largest Grant Awards by Agency to Largest Host Counties (FFY 2024)

Agency	Grant Awards to Montgomery County - value (billions)	Grant Awards to Baltimore City - value (billions)	Grant Awards to Howard County - value (billions)	Grant Awards to Prince George's County - value (billions)	Grant Awards to Baltimore County - value (billions)
Department of Health and Human Services	\$ 0.2	\$ 1.4	\$ 0.0	\$ 0.1	\$ 0.3
Department of Defense	0.3	0.1	0.0	0.1	0.0
Environmental Protection Agency	7.0	0.1	2.0	0.0	0.0
Department of Transportation	0.1	0.1	0.0	0.1	0.1
Department of Homeland Security	0.0	0.0	0.0	0.0	0.5
Department of Commerce	0.0	0.0	0.0	0.3	0.0
Department of Housing and Urban Development	0.0	0.2	0.0	0.0	0.0
Department of Education	0.0	0.8	0.0	0.0	0.0

Source: USAspending

[View Chart](#)

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