



Testimony of Anna Korsen, Full Plates Full Potential

Neither for nor against LD 2212 An Act Making Supplemental Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2026 and June 30, 2027

Senator Rotundo, Representative Gattine, Senator Grohoski, Representative Sayre, esteemed members of the joint standing committees on Appropriations and Financial Affairs and Taxation, I'm Anna Korsen, Deputy Director with Full Plates Full Potential, a statewide non-profit working to address childhood food insecurity in Maine by maximizing access to federally funded USDA nutrition programs like SNAP and school meals. We are a founding member of the Hunger Free Maine Coalition, advocating to advance policies in Maine's Roadmap to End Hunger. I also serve as the co-chair of the Ending Hunger in Maine Advisory Committee.

I am here today testifying neither for nor against LD 2212 An Act Making Supplemental Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2026 and June 30, 2027.

We envision a Maine free from hunger, but if we continue to fund short term policies and refuse to reform our tax code, we will never end hunger in Maine. SNAP is our most successful and effective tool for preventing hunger and its future is uncertain because of the federal administration's choice to fund tax breaks for billionaires rather than food for the working poor, children, and older adults. Maine must use progressive tax revenue policies like LDs 1089, 1879, and 229 to protect those living with food insecurity from the worst of the federal cuts and provide the best chance of preventing a hunger crisis and we urge you to take action using these bills now.

Every year working and low-income Mainers come to the State House to lobby for increased wages for teachers and home care workers, healthcare reimbursement rates, housing investments, and protections for farmers. Every year the legislature leaves millions of dollars of needed investment unfunded and the cycle continues.



Maine is now facing a 444% increase in SNAP costs once all the provisions of HR1 become law, according to Georgetown Law¹. When the USDA threatened to withhold SNAP funding during the November government shutdown, we saw that Maine could not replace even one month of federally funded food stamps.

The state of Maine paid \$13.8M to run SNAP before HR1, and could now need an additional \$60M to run SNAP after the changes in HR1 all come into effect. This is an unfair, massive shift in policy to give tax breaks to the wealthy and fund immigration enforcement. It is clear that the federal administration prioritizes billionaires over the rest of us.

Thankfully, in Maine we prioritize local solutions to local problems, but with food insecurity on the rise due to low wages and high cost of living, there are no local solutions that can replace our federal nutrition programs. Families and households need universal school meals, SNAP, WIC, summer meals, and afterschool meals to make ends meet for their families.

While the Governor's budget acknowledges the need to protect the SNAP program in Maine, we have not heard or seen any proposals from the administration to fund SNAP benefits in the coming years. Maine has made the historic commitment to School Meals for All, but many schools struggle to meet the growing demand for school breakfast and lunch because of outdated or inadequate kitchens. This is a symptom of a larger issue caused by insufficient funding to maintain or replace aging school buildings, estimated to cost billions of dollars.

Where will the funding for school kitchens, school meals, and SNAP benefits come from?

Even with increased staffing and improved technology, Maine DHHS faces an impossible task in lowering Maine's SNAP Payment Error Rate (PER) below 6% in time to avoid having to pay benefits.

Based on last year's PER, Maine would need to pay \$53 million more for SNAP benefits in October 2027 than it does now or cut \$53 million out of SNAP benefits. This is the purposeful choice created by HR.1.

Maine's administrative costs for SNAP will increase by \$6.6 million to roughly \$20 million per year this October.

¹ <https://www.georgetownpoverty.org/issues/snap-changes-will-upend-state-budgets/>



When both cost-sharing provisions are combined, we believe it's prudent to plan for at least an additional \$40 million more annually for SNAP in the state budget to avoid cutting food assistance from thousands of low-income Mainers, based on the sliding scale of penalties in HR.1. The state's annual SNAP obligation could increase by \$60 million annually within two fiscal years. The current budget has no room for this cost without increasing revenue.

If we continue to pursue short term solutions and ignore the need to generate revenue to fund ongoing costs, Maine's workforce and most vulnerable people pay the price when SNAP benefits need to be cut.

We need the legislature, now, to enact the tax fairness bills which were overwhelmingly supported by the public and indeed many voted for already, that would help ensure wealthy corporations and individuals pay their fair share in taxes, make our tax code fairer and raise revenue for critical programs.

- **LD 1089** places a 2% income tax surcharge on incomes over \$1 million. It raises \$143 million in the next biennium. It has passed the Senate and is currently in the House.
- **LD 1879** increases Maine's top corporate tax rate on profits over \$3.5 million from 8.93% to 10%. It raises \$100 million over the biennium, of which the general fund would retain \$40 million. It has passed in the House and Senate.
- **LD 229** restructures Maine's income tax brackets to ask more of higher-earning individuals and gives a tax cut to Mainers in the middle class. The current version of the bill would raise \$176 million in the next biennium. This version passed the House and the Senate but has been referred back to the taxation committee for revision.

In spite of the federal administration's attempts to shift more tax breaks and more public money to billionaires, Maine can fight back with these tax fairness bills and raise revenue fairly to protect SNAP and School Meals for All.

Not only can you fight back against HR.1, I believe you have a duty to protect SNAP because Maine voters enshrined the Right to Food in our constitution and our government committed to end hunger by 2030.



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ENDING CHILDHOOD FOOD INSECURITY

Hunger is a policy choice, and Maine has the opportunity now to choose fair revenue generation to support investments in basic needs like SNAP and school meals. We envision a Maine free from hunger, and we must choose policies that can turn that vision into a reality.

Thank you for your time and commitment to food security for all Maine people. I'm happy to answer any questions you may have.

Anna Korsen

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Projected Revenue Needed to Maintain SNAP Benefits in Maine

Under H.R.1, states are required, for the first time in the history of the Supplemental Nutrition Assistance Program (SNAP), to pay for a portion of SNAP benefits beginning in fiscal year (FY) 2028. The amount states are required to contribute is contingent on the SNAP Payment Error Rate (PER)—a measure of system accuracy based on an audit of over and underpayments from a sample of cases in a randomly selected month. The PER is expressly not a measure of fraud or intentional program violation.

Denying eligible applicants doesn't count in the PER and so these terms incentivize states to cut eligible people from food assistance. Low-income Mainers can not afford to buy food without SNAP and charity can't make up the gap.

It is highly unrealistic for any state to lower their PER more than 1% in a year - especially one marked by significant rule changes, disruption, and disjointed USDA guidance and with no increased administrative investment by the federal government.

Maine's PER as of October 1, 2027 (FY 2026 data) will determine the percentage of SNAP benefit costs that Maine will be required to fund at the following levels:

- **Below 6%** error rate: 0% state match
- **6-8%** error rate: 5% state match or **\$17.5M per year**
- **8-10%** error rate: 10% state match or **\$35M per year**
- **Over 10%:** 15% state match or **\$53M per year**

Based on the latest data from FY 2024, 43 states will face new financial penalties and 21 states, including Maine, are above the 10% threshold for the maximum state match. The average combined PER of over and underpayments for all states in FY 2024 was **10.93**.

Based on last year's PER, Maine will need to pay \$53M more for SNAP benefits in October 2027 than it does now or cut \$53M out of SNAP benefits. This is the purposeful choice created by HR.1.

As of this October, Maine's administrative costs for SNAP will increase by \$6.6 million to roughly \$20 million per year.

When both cost-sharing provisions are combined, Maine will need to raise a minimum of \$6.6M each year and should realistically plan for \$40M per year. The state's annual SNAP obligation could increase by \$60 million annually within two fiscal years.

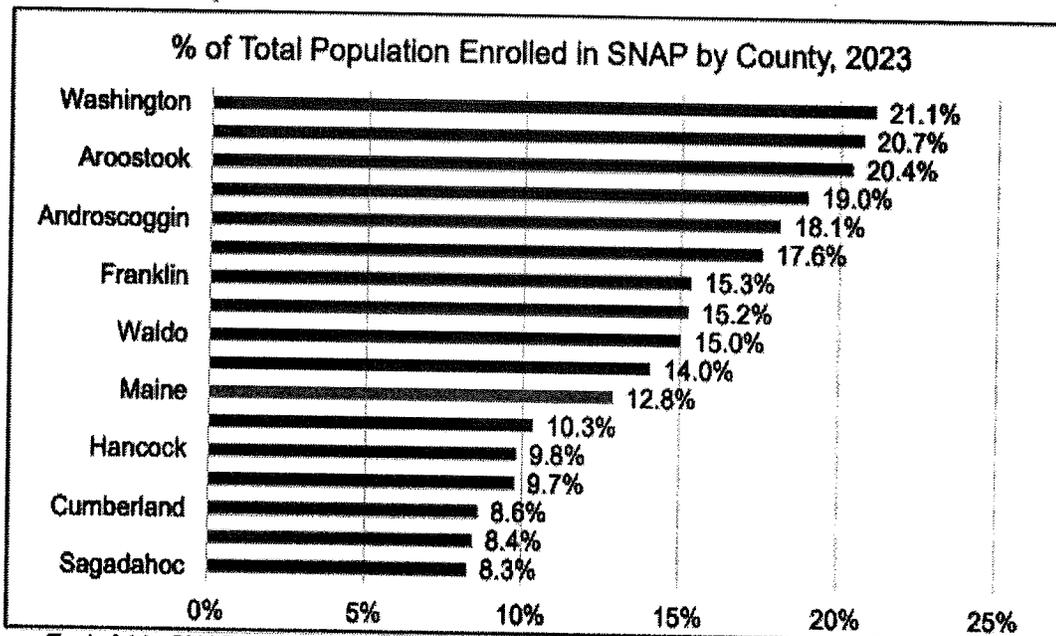
Supplemental Nutrition Assistance Program (SNAP)

July 11, 2025

Background / Demographics

- Annual benefits issued: \$356 million (100% Federal)
- February 2025 recipients: 176,532 individuals (54,927 children, 92,973 adults, 28,632 older Maine people) and includes
 - 5,669 veterans
 - 53,030 people with disabilities
 - 25,203 people experiencing homelessness (defined as lacking a fixed or regular nighttime address)
- In 2024, of SNAP households in Maine:
 - 73% included someone who was working, even for able-bodied adults without dependents (ABAWDs) work requirement enforcement was waived
 - 58% included a person with a disability
 - 43% included older Maine people
 - 34% included children

Economic Impact



- Each \$1 in SNAP spending **generates \$1.54 in local economic activity.**
- \$356 million in SNAP benefits are issued annually in Maine, resulting in nearly \$548 million in estimated economic activity.