



## **HOMELESS PERSONS REPRESENTATION PROJECT, INC.**

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### **Favorable– SB 2**

#### **Department of Human Services - Electronic Benefits Transfer Cards – Theft of Benefits (Prevent Electronic Benefits Theft Act of 2023)**

**Hearing of the House Appropriations Committee, March 29, 2023**

**Michelle S. Madaio, Homeless Persons Representation Project**

The Homeless Persons Representation Project, Inc. (HPRP) is a non-profit civil legal services organization that provides free legal representation to people who are experiencing homeless or at risk of homelessness on legal issues that will lead to an end to homelessness. Over the past year, HPRP worked closely with many victims of theft of their Supplemental Nutrition Assistance Program (SNAP), Temporary Cash Assistance (TCA), and Temporary Disability Assistance Program (TDAP) benefits who experienced prolonged hunger and housing instability because of the unexpected loss of their food and cash assistance. **HPRP requests this Committee pass SB 2 clean.**

**SB 2 is the result of consensus and collaboration between the bill sponsors, Department of Human Services, and advocates.** SB 2 was developed after incredible commitment, hard work, and collaboration between the Department of Human Services Secretary Rafael López and his team, bill sponsors (Senator Katie Fry Hester and Delegate Robbyn Lewis, as well as Senator Ben Kramer and Delegate Tiffany Alston who withdrew their bill, SB 401 / HB 697, after developing the consensus draft SB 2 / HB 502), and advocates including Maryland Hunger Solutions, Public Justice Center, and Homeless Persons Representation Project. SB 2 puts into statute clear and strong protections for families to receive quick and full replacement of food and cash benefits after benefits are stolen from their Electronic Benefit Transfer (EBT) card, ensuring that victims of theft are made whole and do not suffer prolonged food and housing insecurity.

**SB 2 makes past victims of EBT theft whole by providing retroactive benefits for theft that occurred between March 15, 2020 to September 28, 2022.** SB 2 would restore benefits to any household that lost benefits due to theft between March 15, 2020 (declaration of COVID-19 pandemic) and October 1, 2022. HPRP commends the commitment and action of the recently confirmed Secretary of the Department of Human Services López to reimburse victims of EBT theft that occurred beginning on October 1, 2022 onward through the Department's state plan.<sup>1</sup> SB 2 is needed to provide retroactive replacement benefits stolen prior to October 1, 2022. Secretary López enthusiastically supports SB 2 and has stated his willingness to reimburse victims of theft back to March 15, 2020, so long as he has the funding to do so. There is \$11.3 million in available funding for replacement of benefits, which would cover the retroactive period in SB 2.<sup>2</sup>

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<sup>1</sup> Maryland Department of Human Services, *Maryland State Plan for Replacement of Stolen SNAP Electronic Benefit Transfer Benefits*, submitted to United States Department of Agriculture's Food Nutrition Service on February 10, 2023 (FNS approved Maryland's plan on February 24, 2023 and the Department began accepting applications for stolen benefits on March 20, 2023).

<sup>2</sup> See Senate Budget and Taxation Committee Report on House Bill 200 – the Budget Bill House Bill 202 – the Budget Reconciliation and Financing Act (March 20, 2023) at page 2

HPRP has worked with victims of benefit theft prior to October 1, 2022, who are still suffering the economic harm of losing their food and cash assistance. For example, one family we worked with was unable to pay their rent after their cash assistance was stolen in June 2022. The unexpected loss in benefits caused the family to fall behind on rent, gas/electric, and other bills and incur late fees that they continue to have each month. With the reimbursement of their June benefits, the family could finally catch up on late fees and bills. SNAP, TCA and TDAP are means-tested programs and families have little, if anything to fall back on when their food and cash assistance is stolen from them. In the words of another family whose TCA was stolen, “this is all I have at the end of the day.”

**HPRP strongly urges the Committee to issue a favorable report on SB 2 clean.** If you have any questions, please contact Michelle Madaio (she/her), Director – Economic Justice at (410) 716-0521 or [mmadaio@hprplaw.org](mailto:mmadaio@hprplaw.org).