

Senate Finance Committee March 21, 2024 House Bill 183

Position: Favorable with Delegate Queen's Amendments

At the Student Support Network, we work to meet the immediate needs of students in Baltimore County Public Schools so that they have the resources they need to grow and thrive. We also advocate for change related to the underlying issues that cause food insecurity and poverty because we can not do it alone. Programs like Summer SNAP for Children reduce poverty and food insecurity by addressing the root causes and **we strongly support** its continued operation.

When House Bill 183 was first introduced, it increased funding for Summer SNAP for Children from the current mandated state appropriation of just \$200,000 to \$5 million annually. Unfortunately, the bill was heavily amended in the Appropriations Committee and now will completely defund the program, even the modest \$200,000 currently required. Delegate Queen has submitted amendments that will restore the \$200,000 minimum state appropriation and will make small changes to the Summer SNAP for Children program to allow for it to complement the new federal Summer EBT program.

Summer SNAP for Children provides direct and automatic food assistance for children in Maryland's lowest income households. Last summer, more than 100,000 children received Summer SNAP for Children, providing a total of nearly \$10M in direct food assistance (\$5M from the state and \$4.5M from matching funding required by county governments). Summer SNAP for Children is jointly funded by both the state and the counties, with the state contributing 50-95% of the cost, depending on the wealth of the county. For example, last year, 27,801 children in Baltimore County received a total of \$2.7M in direct food support from Summer SNAP for Children. Of this, \$1M was state funded and \$1.7M was funded by Baltimore County.

Summer SNAP for Children builds on the successful Supplemental Nutrition Assistance Program (SNAP), which supported 772,700 Maryland residents, 13% of the state population, in FY 2022. This includes 184,227 Maryland households with children that receive SNAP benefits and therefore are eligible for Summer SNAP for Children. Families eligible for SNAP are very low-income. For example, a family of 3 may be eligible if their income is less than \$33,000 a year. While SNAP provides vital support, the benefit levels do not account for the fact that many families still struggle to put food on the table during the summer months when schools are closed, school meals disappear, and childcare costs skyrocket. Summer SNAP for Children helps fill this gap by automatically adding to existing SNAP food assistance cards \$30+ per child, per summer month and an additional \$10+ per child during the winter. All funding goes directly to children in the lowest income households, without additional administrative or overhead costs.

Maryland's Summer SNAP for Children was first implemented in 2020 with \$200,000 in state funding and the program supported less than 5,000 children in the first few years. State funding was significantly increased to \$5 million in 2022 and when combined with county match funding, more than 102,645 children in Maryland were able to participate.

The cost to fully fund Summer SNAP for Children is just \$100 per child, per year and the amendments offered by Delegate Queen require just \$200,000 in state funding to help feed children. Towson University economists found that additional state funding for Summer SNAP for Children will greatly benefit the economy while reducing food insecurity, creating additional jobs, and increasing tax revenues. Given the high cost of food, inflation, and poverty rates, our children and families desperately need your support.

Thank you for your consideration.

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<u>Additional Information Re: Proposed Amendments to HB183</u>

Changing Eligibility from All to One or More Child(ren) in the Household

By striking "each child" and adding, "one or more of the eligible child(ren)" in (b)(1), the amendment will allow the Summer SNAP for Children program to complement the new federal program coming in 2024, when school-aged children eligible for free and reduced-price school meals will be eligible for the new Summer EBT benefits.

Low-income children ages 0-5 are not eligible for the federal Summer EBT program and research shows that children living in poverty during the first 5 years of life are significantly more likely to experience a host of negative effects, including on their school readiness. By adding "one or more eligible children," the amendment will allow a county to provide Summer SNAP for Children benefits to some, but not all children in a household if they choose in their implementation plan. If a county chooses to participate in both programs, this amendment will permit them to provide a Summer SNAP for Children benefit only to young children ages 0-6, with the understanding that children 6-18 will receive Summer EBT. Since many young children live in families with siblings, it is important to provide support for all the children in the family, not just those who are school age. Otherwise, the school aged children with young siblings will essentially receive a smaller benefit because their benefit must be stretched among all family members.

The amendment will also allow a county to choose to fund Summer SNAP for Children benefits to all children ages 0-19 on SNAP. Therefore, those with the lowest incomes could get both Summer SNAP for Children (\$30 mo) and Summer EBT (\$40 mo) – a total of \$70 supplement per summer month. Whereas children eligible for free or reduced-price school meals and not enrolled in SNAP will receive just Summer EBT (\$40 mo). This will provide a larger benefit for kids in deeper poverty, rather than a one-size-fits-all approach.

Schedules and Deadlines

The purpose of the amendment that adds "before" in (c)(1) and (c)(2) is to address the Department's concern about scheduling the issuance of benefits within the specific calendar month. This schedule addresses the negative impacts of the fact that SNAP benefits are issued every 30 days and are typically exhausted within two weeks. As a result of the "SNAP 30-day benefit cycle," diet quality declines at the end of the benefit month and negative health impacts are evident.

Issuing Summer SNAP for Children benefits on a different day than the federal SNAP benefit will also help families to differentiate the Summer SNAP for Children benefit from their regular federal SNAP benefit.

Note that the amendments retain currently proposed language to eliminate "December 1" on page 2, line 15 and the language in lines 18-19. This will allow the Department to set the dates

for program administration that is best. Similarly, the proposed amendments keep the other changes proposed by HB183 on pages 3 and 4, which address timelines for program administration.

Evaluation Requirement

The amendment strikes language that directs the county to conduct an evaluation of the program in because smaller counties may not have the resources to conduct a study and should not be required to do so.

Funding for Summer SNAP for Children

Amendments strike language to allow funding for Summer SNAP for Children to be reallocated to administrative needs. A key strength of Summer SNAP for Children is that all funding goes directly to families in need.

Finally, the amendments restore the original mandated appropriation of \$200,000.

Comparison of <u>Summer SNAP for Children</u> and <u>Summer EBT</u>

Summer SNAP for Children is an existing state and county funded program unique to Maryland that was first implemented in 2020. **Summer EBT** is a new federal program that states can opt into beginning in 2024.. **Maryland's children need both programs**. The state can, and must, continue to operate the successful Summer SNAP for Children program while also opting into the new federal Summer EBT program. Both programs are vital and effective strategies that reduce poverty and food insecurity.

	Summer SNAP for Children	Summer EBT
Benefit Level	 Minimum of \$100 per child, per year, with at least \$30 per month (June, July, August) and \$10 in December Benefits provided automatically on SNAP card ALL funding goes directly to children in the lowest income households, without administrative costs Families do not need to complete an application 	 \$40 per month in 3 summer months, increased with inflation each year Benefits provided on electronic benefit transfer (EBT) card that is mailed to family
Availability	 County must apply to participate to receive state matching funding In FY 2024, 14 jurisdictions participated Children ages 0-19 in households with income below 100-130% of the poverty level and enrolled in SNAP. Only Summer SNAP for Children includes young children (ages 0-6) Benefits are automatically added to SNAP cards – families do not need to sign up 	All school-aged children eligible for free and reduced-price school meals (FARMS) with household incomes below 185% of the poverty level Some families need to complete an application
	 If both the programs are in use, children with the lowest incomes (below 100-130% of the poverty level) would get both benefits, a total of \$70 in supplements per summer month and school-aged children eligible for FARMS, but not SNAP, will receive \$40 per summer month from Summer EBT Alternatively, Summer SNAP for Children could be provided to children ages 0-6 only, to allow all ages of children in the lowest-income families to receive some summer food support (i.e. Ages 0-6 receive Summer SNAP for Children and ages 6-19 receive Summer EBT.) Summer SNAP for Children is designed to allow counties to designate the subset of children that will receive benefits, if funding is insufficient to provide benefits for all children. 	
Fund Source	 Jointly funded by both the state and counties, depending on the wealth of the county \$200,000 is mandated in statute State funding was increased to \$5M in 2022 County funding added another additional ~\$5M More than 102,645 children benefit 	 Federal funding available for 100% of the benefits State funding required for half of administrative costs Maryland expects to receive \$69M in federal benefits for 500,000 school-aged children

Maryland can, and must, provide BOTH programs to support our state's children.