

Department of Legislative Services  
 Maryland General Assembly  
 2016 Session

FISCAL AND POLICY NOTE  
 Enrolled - Revised

House Bill 445  
 Appropriations

(Delegate Lierman, *et al.*)

Finance

**Food Stamp Program - Minimum Benefit - State Supplement**

This bill requires the State to ensure that all households that include an individual who is at least age 62 receiving federally funded benefits under the food stamp program receive a minimum benefit of \$30 per month by providing a supplemental benefit if necessary.

**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$2.1 million in FY 2017 and by \$2.9 million annually thereafter for the Department of Human Resources (DHR) to provide State supplements to additional households. The fiscal 2017 budget designates \$1.0 million from the State Reserve Fund to support a State supplemental benefit. Revenues are not affected.

(\$ in millions)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	2.1	2.9	2.9	2.9	2.9
Net Effect	(\$2.1)	(\$2.9)	(\$2.9)	(\$2.9)	(\$2.9)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

**Analysis**

**Current Law/Background:** The federal Supplemental Nutrition Assistance Program (SNAP), formerly known as the Food Stamp Program, provides benefits solely for the purchase of food items to families and individuals who meet income and resource

requirements. Benefits are 100% federally funded, while administrative costs are split equally between the State and federal government. Program rules and regulations are issued by the federal government.

**State Expenditures:** General fund expenditures increase by \$2,147,499 in fiscal 2017, which accounts for the bill's October 1, 2016 effective date. This estimate reflects the cost to provide a supplemental State benefit to ensure that all households that include an individual who is at least age 62 receive a minimum benefit of \$30 per month. The information and assumptions used in calculating the estimate are stated below:

- the average monthly caseload for SNAP in fiscal 2016 was 406,209 households;
- 44,201 households (10.9%) receive \$30 or less per month in federal benefits;
- of these households, 17,999 households include an individual who is at least age 62;
- DHR provides a State supplement to those 17,999 households to ensure a minimum benefit of \$30 per month; and
- based on existing caseload data and benefit amounts, this supplement costs \$238,611 per month and \$2,863,332 on an annual basis.

The fiscal 2017 budget designates \$1.0 million from the State Reserve Fund to provide funds to support a State supplement to the Food Supplement Program. Future year expenditures reflect annualization and assume that caseload trends remain constant.

---

### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 758 (Senator Madaleno, *et al.*) - Finance.

**Information Source(s):** Department of Human Resources, Department of Legislative Services

**Fiscal Note History:**  
min/jc

First Reader - February 12, 2016

Revised - House Third Reader/Updated Budget Information -  
March 29, 2016

Revised - Enrolled Bill/Updated Budget Information - May 9,  
2016

---

Analysis by: Jennifer K. Botts

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510