

Department of Legislative Services  
 Maryland General Assembly  
 2023 Session

FISCAL AND POLICY NOTE  
 First Reader

House Bill 452  
 Appropriations

(Delegate Kaufman, *et al.*)

**Food Supplement Benefits - Students - Eligibility (SNAP for Students)**

This bill requires the Department of Human Services (DHS) to establish a new State Supplemental Nutrition Assistance Program (SNAP) benefit for a student who (1) is a resident of the State; (2) is enrolled in an institution of higher education for at least 15 credit hours per year; and (3) meets the “eligible income threshold.” Beginning in fiscal 2026, the Governor must include in the annual budget bill an appropriation in an amount sufficient to reimburse DHS for expenditures made to provide benefits in the second prior fiscal year. The benefit is contingent on the expiration of the expanded student eligibility for benefits under the federal SNAP. If the expanded student eligibility expires due to the end of the COVID-19 public health emergency (PHE) and no substantially similar federal legislation is enacted, the benefit must take effect within 30 days after the expiration. DHS must notify the Department of Legislative Services within 5 days after the expiration of the expanded student eligibility benefit under SNAP. **The bill takes effect June 1, 2023, subject to the specified contingency.**

**Fiscal Summary**

**State Effect:** DHS general fund expenditures increase by \$955,100 in FY 2023 and approximately \$10.9 million in FY 2024 and annually thereafter, as discussed below. Revenues are not affected. **This bill establishes a mandated appropriation beginning in FY 2026.**

(in dollars)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenues	\$0	\$0	\$0	\$0	\$0
GF Exp.	955,100	10,885,200	10,885,200	10,885,200	10,885,200
Net Effect	(\$955,100)	(\$10,885,200)	(\$10,885,200)	(\$10,885,200)	(\$10,885,200)

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

**Local Effect:** None.

**Small Business Effect:** Minimal.

## Analysis

**Bill Summary:** “Eligible income threshold” means, based on the income of a student or the student’s family, (1) a student’s expected family contribution (EFC) is \$0 on the most recent free application for Federal Student Aid or (2) a student is eligible to participate in a State or federally financed work study program.

### **Current Law:**

#### *Supplemental Nutrition Assistance Program Benefits – In General*

SNAP is a federally funded benefit that helps low-income households purchase food. Program rules and requirements are issued by the federal government, while administrative costs are split equally between the State and federal government. Participants must meet income and resource requirements.

Chapter 696 of 2016 established a State supplemental benefit for households with a member who is at least 62 years old to ensure that these households receive at least \$30 per month; this benefit was increased to \$40 per month pursuant to Chapter 324 of 2022.

The federal Families First Coronavirus Response Act of 2020 authorized an increase in SNAP benefits to the maximum allowable level for a household size (known as emergency allotments). This action significantly increased average benefits per case in Maryland.

#### *Student Supplemental Nutrition Assistance Program Benefits*

State regulations, in accordance with federal law, set forth the eligibility requirements for student SNAP benefits. In general, students enrolled at least half-time in an institution of higher education are not eligible for SNAP unless they meet certain exemptions. Specifically, a student must meet at least one of the following requirements:

- works at least 20 hours per week and receives specified minimum earnings;
- *participates* in a state or federally financed work study program;
- is responsible for the care of a child younger than age 6;
- is responsible for the care of a child age 6 to 11, if the local department has determined that adequate child care is not available;
- is receiving benefits from the Temporary Cash Assistance Program;
- participates in specified employment/training programs at an institution of higher education; or
- is a single parent enrolled full-time in an institution of higher education and responsible for the care of a child younger than age 12, as specified.

The federal Consolidated Appropriations Act of 2021 temporarily expanded student eligibility by providing *two new types of exemptions* for SNAP from January 16, 2021. Under this expansion, students are eligible for SNAP benefits if they (1) are *eligible* to participate in state or federally financed work study during the regular school year, as determined by the institution of higher education or (2) have an EFC of \$0 in the current academic year, as determined after applying for financial aid.

The federal Consolidated Appropriations Act of 2023, effective December 29, 2022, terminated increased emergency allotments and temporary student exemptions under COVID-19 PHE after the issuance of February 2023 benefits. The federal decision returns benefits to the standard monthly allotment households are eligible to receive and ends the two new types of exemptions for student eligibility for SNAP.

**State Fiscal Effect:** The bill is intended to make the temporary federal expanded student eligibility for SNAP permanent for Maryland students once the federal expansion expires.

DHS estimates that 4,700 participants will receive an average monthly benefit of \$193 from the *State* benefit created by the bill. Accordingly, general fund expenditures increase by approximately \$10.9 million in fiscal 2024 and annually thereafter to provide State SNAP student benefits. As noted above, the contingency specified in the bill (the expiration of expanded student eligibility under the federal SNAP Program) will have been met by June 1, 2023 (assuming that no substantially similar federal legislation is subsequently enacted in its place). Accordingly, general fund expenditures also increase in fiscal 2023 by a total of \$955,100 for State SNAP student benefits and \$48,000 of one-time programming costs, which reflects the June 1, 2023 effective date.

Although funding for the program is discretionary through fiscal 2025, beginning in fiscal 2026, the Governor must include in the annual budget bill an appropriation sufficient to reimburse DHS for expenditures made to provide benefits in the second prior fiscal year (fiscal 2024).

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### **Additional Information**

**Prior Introductions:** Similar legislation has been introduced within the last three years. See SB 921 and HB 1027 of 2022.

**Designated Cross File:** None.

**Information Source(s):** Maryland Higher Education Commission; Department of Budget and Management; Department of Human Services; Department of Legislative Services

**Fiscal Note History:** First Reader - February 19, 2023  
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