

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1090
Appropriations

(Delegate Solomon)

Food Supplement Benefits - Students - Eligibility

This bill requires the Department of Human Services (DHS) to provide food supplement benefits to a student who (1) is a resident of the State; (2) is enrolled in an institution of higher education in the State; (3) is eligible to participate in a State or federally financed work study program for at least one semester during an academic year; and (4) participates in a work study program for an average of 20 hours per week throughout a semester. A student eligible for food supplement benefits must remain eligible for benefits for an entire academic year, regardless of the length of any break during the academic year. By August 1, 2025, the Maryland Higher Education Commission (MHEC) must add to the Maryland College Aid Processing System (MDCAPS) application a question regarding whether, in the previous six months, the applicant has missed a meal because of an inability to afford the meal. MHEC may not require a student to answer the question in the affirmative in order for the student to be eligible for financial aid. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: DHS general fund expenditures are assumed to increase, *potentially* by a significant amount, beginning in FY 2026 to provide a State Supplemental Nutrition Assistance Program (SNAP) benefit to students, as discussed below. MHEC general fund expenditures increase by \$6,000 in FY 2026 only for administrative costs to update MDCAPS.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law:

Supplemental Nutrition Assistance Program Benefits

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. The minimum federal SNAP benefit is \$23 per month, and the maximum allotment for a household of one is \$292 per month.

Chapter 696 of 2016 established a State supplemental benefit for households with a member who is at least age 62 to ensure that these households receive at least \$30 per month. Chapter 324 of 2022 increased the benefit to ensure that these households receive at least \$40 per month. Chapters 374 and 375 of 2024 expanded eligibility for the benefit by lowering the age, from 62 to 60, for an individual to qualify for the State supplemental benefit and increased the supplemental benefit to ensure that qualifying households receive a total benefit of \$50 per month.

Chapters 635 and 636 of 2019 established Summer SNAP for Children, a State and local supplemental benefit that is provided to some households with school-aged children in select jurisdictions to address food insecurity during summer and winter school breaks when low-income children do not have access to free school meals. The federal Consolidated Appropriations Act of 2023 authorized a new nationwide Summer EBT (now known as SUN BUCKS) program. Beginning in summer 2024, the benefit provides children eligible for free and reduced-price meals in the prior school year with a \$40 per month federal benefit. In subsequent years, the monthly benefit will increase with inflation. The State Summer SNAP for Children program largely duplicates the new federal benefit with certain exceptions. As such, State Summer SNAP for Children benefits were not issued in calendar 2024.

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:

- work at least 20 hours per week and receive specified minimum earnings;
- participate in a State or federally financed work study program;

- be responsible for the care of a child younger than age 6;
- be responsible for the care of a child aged 6 to 11, if the local department has determined that adequate child care is not available;
- receive Temporary Cash Assistance benefits;
- participate in specified employment/training programs at an institution of higher education; or
- be 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 beginning January 16, 2021. Under this expansion, students were eligible for SNAP benefits if they (1) were eligible to participate in a state or federally financed work study during the regular school year, as determined by the institution of higher education or (2) had an expected family contribution of \$0 in the current academic year, as determined after applying for financial aid. The federal Consolidated Appropriations Act of 2023 terminated the temporary expansion of student eligibility for SNAP effective July 1, 2023.

State Expenditures: The bill primarily codifies existing federal SNAP benefits for eligible students. However, the bill requires that a student eligible for food supplement benefits must remain eligible for benefits for the entire academic year. Under federal requirements, it is not uncommon for SNAP cases related to student status to close, resulting in a termination of benefits. Benefits are generally approved on a monthly basis and there is no guarantee that an individual will receive federal SNAP benefits for an entire academic year. Therefore, general funds are assumed to be needed in some cases to provide a State supplemental benefit to eligible students for the entire academic year, as required under the bill.

Historically, DHS has not tracked information regarding SNAP benefits provided to students; therefore, it is unclear how many Marylanders receive SNAP benefits due to student status, or how many participants receive benefits for an entire academic year. Beginning in 2023, DHS began tracking the number of SNAP case closures due to “failed SNAP student status.” Between November 2023 and October 2024, 522 cases were closed due to failed student status; according to data from July 2024 through October 2024, case closures ranged from between 50 to 70 closures per month. It is unclear (1) why these students became ineligible for SNAP benefits and (2) if the students resumed receiving benefits in subsequent months. *For illustrative purposes only*, for every cohort of 70 SNAP participants who become ineligible for *federal* SNAP benefits each month due to failed SNAP student status, general fund expenditures increase by *up to* \$20,440 per month to provide these students with a State SNAP benefit. Although the State could meet the requirements of the bill by providing benefits in any amount, this *example*

uses the federal maximum monthly benefit of \$292 (for a household of one). If 70 students become ineligible each month, *remain* ineligible for the remainder of the academic year, and receive the maximum benefit each month, general fund expenditures increase by *as much as* \$1.1 million annually beginning in fiscal 2026. This example assumes that under the bill, the academic year is from August to May, inclusive of school breaks that fall within that timeframe. To the extent fewer students receive benefits, or students receive a monthly amount less than the maximum benefit, the impact on general fund expenditures is reduced.

This analysis assumes that *federal* SNAP benefits for students continue, and that State general funds are not required to provide benefits to *all* eligible students in the State. For context, however, DHS and MHEC estimate that 32,744 students may meet eligibility requirements for *federal* SNAP benefits. Should federal SNAP benefits be discontinued, the State would be responsible for providing a food supplement benefit to a student who meets the eligibility requirements of the bill. The fiscal impact of providing such a benefit under these circumstances would depend on implementation, as the bill does not specify a minimum benefit amount that must be provided in order to meet the requirements of the bill. *For illustrative purposes only*, providing a benefit at the current maximum amount under SNAP for the entire academic year (August through May) for all of the estimated 32,744 students would result in general fund expenditures of over \$95.6 million annually. Conversely, providing a benefit of \$50 per month (aligning with the amount provided under the supplemental benefit for seniors, as referenced above), would result in general fund expenditures of approximately \$16.4 million.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See HB 407 of 2024; HB 452 of 2023; and 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

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