

EQUITY FOR ALL KIDS



To: Economic Matters Committee
From: Jennifer Bevan-Dangel, Executive Director
Re: HB1086, Workgroup to Study Basic Economic Security
Date: March 10, 2020
Position: Support

Advocates for Children and Youth supports HB1086, which would create a workgroup to assess Maryland's job market and risks of disruption; assess Maryland's current social safety net programs; and identify solutions to ensure every Marylander has access to basic economic security.

Maryland's safety net is inadequate and riddled with holes, and the numbers prove it. In 2018, 164,213 children in Maryland were living in poverty. Nearly 49% of those children, or 80,334 individuals, were African American or Black. Another 22%, or 36,379 children, were White. 78,000 children in Maryland were living in extreme poverty, or 50% of the poverty line. This includes 10%, of African American or Black children, or 41,000 individuals, and 3% of White children, or 17,000 individuals. And the situation is not improving. Despite 30 years of sustained effort by advocates including ACY, Maryland has not moved the needle on poverty. The number of children living in deep poverty (50% of the poverty line) has increased over the last 10 years, from 66,457 children in 2009 to 79,101 in 2018.

The current safety net is comprised of multiple programs cobbled together, each with their own requirements and limitations. This session alone there are multiple bills to fix some of the most critical programs for children and families, including fixes to SNAP and Temporary Cash Assistance. Even if these programs were successfully improved, the baseline they are built on would still be inaccurate. The poverty measure is arbitrary and inadequate, meaning even when families are receiving sufficient assistance to no longer technically qualify as "poor," they do not have sufficient funds to comfortably afford housing, childcare, and daily expenses. In addition, restrictions within many of the current social safety net programs create perverse incentives that further destabilize families. Many programs cut off recipients once they earn more than a set amount, without acknowledging that this cut in support puts the family in a worse economic position overall. And with the morass of programs that Maryland currently administers, some analysts project that a universal basic income would ultimately cost the state less money than our current maze of assistance programs.

With the cost of living rising and the stock market plummeting, Maryland can no longer afford to continue cobbling together a safety net built from 30 year old programs. HB1086 would take an important first step to re-evaluate the economic reality and the economic future facing Marylanders, to seriously analyze whether our assistance programs are working, and to recommend new ways to ensure that every Marylander has a basic level of economic security. ACY supports HB1086 and urges a favorable vote.

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Advocates for Children and Youth builds a strong Maryland by advancing policies and programs to ensure children and families of every race, ethnicity, and place of birth achieve their full potential.