

Increasing SNAP benefits would provide relief to struggling Marylanders

Position Statement Supporting House Bill 456

Given before the Senate Finance Committee

In an unparalleled time of uncertainty, increasing the minimum monthly amount for Maryland's supplemental benefit under the Supplemental Nutrition Assistance Program (SNAP) to a minimum of \$40 per month and lowering the minimum age for that benefit to 60 years old would have a lasting impact on the lives of many struggling Marylanders. This would help promote economic security for low-income Marylanders struggling to keep food on the table as they face the impending benefit cliff, rising costs of food, and the continued hardship of the COVID-19 pandemic. For these reasons, **the Maryland Center on Economic Policy supports House Bill 456 and urges the committee to restore the minimum age to 60, as included in bill as introduced.**

Even in good economic times, too many Maryland household struggled to put food on the table. Recent data has shown that the number of Marylanders who received SNAP benefits has reached historic levels during the COVID-19 pandemic. As of October 2021, the Department of Human Services shows that over 860,000 Marylanders are participating in SNAP, with a significant number of them being older adults.

Since the beginning of the pandemic, the price of food has risen at rates that have not been seen before in recent history. Reports show that average annual food prices rose by 3.5% between 2019 and 2020. To put this figure in context, over the last 20 years the level of retail food price inflation has been 2% per year. This means that in 2020 the increase was 75% higher than the expected increase.ⁱ While these numbers can be attributed, in part, to the supply-chain issues caused by the COVID-19 pandemic, the issue of rapidly rising food costs is showing no signs of dissipating. Increasing the minimum supplemental benefit and extending it to reach more older adults is necessary to account for these rapid changes, so that Marylanders can put food on the table and meet their nutritional needs.

Investing in nutrition assistance programs is also good for Maryland's economy. Research shows that every \$5 invested in SNAP benefits generates \$9 in economic activity for participating grocery stores and farmer's markets.ⁱⁱ By raising the minimum monthly supplemental benefit to at least \$40 per month (the bill as introduced raised the minimum benefit to \$45 per month), the state will be able to foster healthier communities and boost the economy.

In addition to the immediate relief SNAP provides in the form of food assistance, evidence shows it also makes long-term improvements in the lives of individuals and families. Research shows that SNAP reduces food

insecurity and poverty, leading to improved health and economic outcomes as a result. This observation has been found to especially be the case for those who receive SNAP as children. Studies show that adults who participate in SNAP have fewer sick days, fewer doctor visits, and are less likely to exhibit psychological distress.

House Bill 456 is an important step in helping more low-income families afford to get enough to eat. SNAP has proven to be successful in creating more economic security for these families in need and can continue to be effective by making these changes to the supplemental benefit. Passing HB 456 and restoring the minimum age to be eligible for the minimum benefit to 60, rather than the current limit of 62, would have a modest cost to the state and a significant impact on the lives of older adults living in poverty.

For these reasons, the Maryland Center on Economic Policy respectfully requests that the Finance Committee give a favorable report to House Bill 456 and restore the minimum age to 60.

Equity Impact Analysis: House Bill 456

Bill summary

House Bill 456 raises the minimum monthly amount for Maryland's supplemental benefit under the Supplemental Nutrition Assistance Program from \$30 to \$40. As introduced, it also lowered the minimum age to be eligible for these benefits from 62 to 60 years old, but the bill was amended prior to passing the House.

Background

The current minimum monthly supplemental benefit for SNAP participants is \$30 per month, but during the pandemic those who receive SNAP have been given the maximized allotment for their household size. When the federal public health emergency comes to an end, so will the maximum benefit allotment that families have been depending on through the COVID-19 pandemic. Many families will have their SNAP benefits recalculated and likely decreased immediately, leaving them in a position where they no longer have the financial resources necessary to meet their nutritional needs.

For example, when the emergency allotments end, an older adult household of one in Maryland would go from receiving \$250 per month to only receiving \$30 per month. This would greatly affect older adults who often receive the minimum amount due to having steady sources of income such as a pension or Social Security. However, many of these older people still depend on SNAP to supplement their food budget. Raising the minimum supplemental benefit would lessen the massive reduction that looms for many Marylanders when the public health emergency eventually ends.

Equity Implications

Policies in the past have led to a system of unequal opportunities for marginalized groups within Maryland. Although the most obvious racially discriminatory policies have long been overturned or mitigated, the impact of these policies continue to persist in both society and public policy and have led to significant racial and health disparities. People of color experience much higher rates of economic insecurity and poverty and are more likely to use SNAP to afford enough to eat.

Research shows that increasing economic security for households through programs like SNAP can help reduce

overall poverty, child poverty, and racial and ethnic inequities. Increasing the minimum monthly supplemental SNAP benefit and lowering the age requirement will enable this program to have a greater impact and reach more of those in need. Meeting this need strengthens our economy and can dismantle the economic barriers that too often hold back Marylanders of color.

Impact

House Bill 456 would likely **improve racial and economic equity** in Maryland.

ⁱ “Food Prices and Spending,” The United States Department of Agriculture Economic Research Service, 2021, <https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/food-prices-and-spending/?topicId=1afac93a-444e-4e05-99f3-53217721a8b>

ⁱⁱ “The Real Benefits of SNAP,” SNAP to Health, <https://www.snapttohealth.org/snap/the-real-benefits-of-the-snap-program/>