Julia Lemp, Advocacy and Public Policy Specialist, Capital Area Food Bank SB0552 – Family Prosperity Act of 2023 Budget and Taxation Committee Hearing Date 3/1/2023 at 1pm Testimony of SUPPORT

Chairman Guzzone and members of the committee,

On behalf of the Capital Area Food Bank, we offer our support for SB0552 to extend expansions to the Earned Income Tax Credit (EITC) and make permanent the Child Tax Credit (CTC) to support low-income working families throughout Maryland.

The Capital Area Food Bank serves over 200,000 food insecure residents in the two largest counties in Maryland, Prince George's and Montgomery. Last year, we distributed over 23 million meals to Maryland clients through a partner network of over 180 nonprofit organizations and more than 150 direct distribution sites.

Each year, the Capital Area Food Bank releases a Hunger Report – a comprehensive look at food insecurity across the food bank's service area. One key finding from our 2022 Hunger Report was that 77 percent of people who screened as food insecure in 2021 were employed. Comparatively, 74 percent of people who were food secure were employed. These statistics are nearly identical, so we must ask: why are so many employed individuals facing food insecurity?

A number of factors are likely at play. People may be working low-quality, low-wage jobs – often several jobs at a time – and the high cost of living in the area can mean paychecks are not enough to cover necessities.

Working family tax credits, like Maryland's EITC and the CTC, are powerful tools to ensure that hardworking families are able to put food on the table. Maryland took a big step forward in supporting these families at the height of the pandemic, creating a CTC and expanding the EITC benefit for all recipients and ensuring ITIN filers — often immigrant families who are ineligible for many other social safety net programs — are able to access the credit. However, as you know, expansions to these credits will reverse this year if no action is taken by the General Assembly.

Maryland can't afford a step backward, especially for its hard-working families. That's why the Capital Area Food Bank offers its strong support for SB0552 and encourages a favorable report by the committee. Thank you.