



Testimony in Opposition – HB 1434
Department of Human Services - Electronic Benefits Transfer Cards -
Restoration of Benefits
March 21, 2024

Dear Chair Beidle, Vice-Chair Klausmeier, and Members of the Senate Finance Committee,

My name is Elisabet Eppes. I am Deputy Director of Maryland Hunger Solutions, a statewide, nonpartisan, nonprofit organization working to end hunger in Maryland by improving participation in the federal nutrition programs. Maryland Hunger Solutions strongly opposes HB 1434 - Department of Human Services - Electronic Benefits Transfer Cards - Restoration of Benefits. Enclosed you will find a letter of opposition with 34 signatures from organizations around the state of Maryland, demonstrating broad opposition to this bill.

This legislation would have severe impacts on the health and wellbeing of families participating in the Supplemental Nutrition Assistance Program (SNAP) as well as cash programs that have experienced theft of their benefits. Benefit theft rose dramatically in 2021 and families across the country experiencing theft were left with no recourse as reimbursement was not possible. In late 2022 and early 2023, both Congress and the Maryland General Assembly successfully enacted reimbursement plans, with Maryland's being one of the first in the country to promise a full reimbursement to households. The changes proposed to this law in HB1434 would condition that reimbursement on available state funds, effectively leading to potential denied claims when theft occurs.

The impact this would have on families is remarkable. Over the past year, we have assisted 100 households with a reimbursement claim, some of them more than once. Many have experienced theft in the \$100s and sometimes \$1,000s of dollars. When reimbursement was not an option, we heard directly from some families that they had to utilize credit cards or borrow money from family and friends in order to keep food on the table. To return to that period of time is unacceptable in the face of record high food costs and continued economic hardship for Maryland residents.

What is necessary at this time is a focus on ensuring heightened security for EBT card users. EBT cards do not have the same security features that debit and credit cards have, though steps are being taken by the Maryland Department of Human Resources and USDA. Card-locking and unlocking have been made available to EBT users in Maryland via the ConnectEBT app; however, recent survey data indicates that close to half of ConnectEBT users experience issues accessing their accounts. Many of the households we have spoken to that have experienced theft had not heard about ConnectEBT until we notified them, showing a need for more robust outreach.

The switch into EMV chips for SNAP and other benefit cards is beginning its pilot stages in California, and Maryland should immediately follow suit. Other states have also implemented an option to lock cards for out-of-state purchases, which is commonly where stolen benefits are used. When this theft occurs, benefits are being taken away from families that need it and usually removing money from the state economy.

Maryland Hunger Solutions and other advocates worked closely with legislators and the Department of Human Services last year to create and pass this law. We continued working with the Department on pilot testing and tweaking the incredibly successful and efficient reimbursement claims process. We hope to have the continued opportunity in the coming months to find a solution that maintains the ability to make families whole.

In conclusion, we urge opposition on HB 1434. Thank you for your time.