

Member Agencies:

211 Maryland
Baltimore Jewish Council
Behavioral Health System Baltimore
CASH Campaign of Maryland
Energy Advocates
Episcopal Diocese of Maryland
Family League of Baltimore
Fuel Fund of Maryland
Job Opportunities Task Force
Laurel Advocacy & Referral Services,
Inc.
League of Women Voters of Maryland
Loyola University Maryland
Maryland Center on Economic Policy
Maryland Community Action

Partnership Maryland Family Network Maryland Food Bank

Maryland Hunger Solutions
Paul's Place

St. Vincent de Paul of Baltimore
Welfare Advocates

Marylanders Against Poverty

Abby Snyder, Co-Chair P: (240) 593-6121 E: ASnyder@baltjc.org

Anne Wallerstedt, Co-Chair P: (410) 991-7285 E: AWallerstedt@mdfoodbank.org

TESTIMONY IN SUPPORT OF SB 703

Family Investment Program and Supplemental Nutrition Assistance Program Benefits – Child Support

Senate Finance Committee February 19, 2025

Marylanders Against Poverty (MAP) supports SB 703, which requires the State to pass through all child support collections to Temporary Cash Assistance (TCA) families without making a corresponding decrease to the benefit amount.

Enacting a full pass-through and disregard policy in Maryland incentivizes noncustodial parents to make child support payments. When non-custodial parents know that the funds they contribute are distributed to their children, they are more likely to make a payment. These child support payments have a positive impact on child development – such as higher cognitive skills and stronger emotional development- and can reduce incidents of child maltreatment. In addition to increasing their children's well-being, it can also build meaningful parent-child relationships.

Implementing full child support pass-through and disregard increases economic stability for Maryland families and provides a boost to local businesses. Families on TCA live in deep poverty: the benefit amount is only statutorily required to meet 61.25% of the Maryland Minimum Living Level when combined with SNAP. Adding additional income to a low-income family's household budget through a full child support pass-through and disregard policy would have a dramatic effect on the family's ability to meet their basic needs. Moreover, these funds will be immediately spent at local businesses, which improves Maryland's economy.

SB 703 builds upon Maryland's partial pass-through and disregard policy and brings the state in line with other states that have implemented full pass-through policies. In FY 2023, 31% of families on TCA had an established child support order, and two out of five of those families received a pass-through payment.² For the typical family, the additional support raised the household's quarterly income by 11%.³ While this is an important start, states like Colorado, Michigan, and Illinois, have seen great success with passing through the full child support collected, and Maryland should follow their lead in the effort to increase family stability.

MAP appreciates your consideration and urges the committee to issue a favorable report on SB 703.

Marylanders Against Poverty (MAP) is a coalition of service providers, faith communities, and advocacy organizations advancing statewide public policies and programs necessary to alleviate the burdens faced by Marylanders living in or near poverty, and to address the underlying systemic causes of poverty.

¹ Cancian, M., Yang, M., & Slack, K. (2013). The effect of additional child support income on the risk of child maltreatment. Social Service Review, 87(3), 417-437. https://doi.org/10.1086/671929

² University of Maryland School of Social Work. March 2024. *Life on Welfare: Temporary Cash Assistance Families & Recipients, 2023.* https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/life-on-welfare/Life-on-Welfare,-2023,-updated-12-2024.pdf

³ Smith H, Hall LA. (2021). Maryland's child support pass-through policy: Exploring impacts on TCA families. University of Maryland. https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/work-supports-and-initiatives/Pass-Through-Impacts-on-TCA-Families.pdf