

House Study Group to Study Economic Stability

Delegate Mike McKay and Delegate Pam Queen, Co-Chairs

Wednesday, September 30, 2020, 1:00 p.m.

VIRTUAL BRIEFING

Agenda

I. Call to Order and Chairs' Opening Remarks

II. Status of 2020 Study Group Legislation

III. Highlights of United Ways Study on the Benefits Cliff

- [*The Impact of the Benefits Cliff*](#), United Ways of Maryland, University of Baltimore Schaefer Center for Public Policy

IV. Pulse of the Community

V. 2021 Legislative Plans

VI. Other Actions

- Coordination with Other Committees
- Discussion with State Agencies
- Community Outreach
- Advocacy for Legislation

VII. Closing Remarks and Adjournment

Summary of Enacted and Proposed Legislation – 2020 Session

**Presentation to the
House Study Group on Economic Stability**

**Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland
September 30, 2020**

Enacted Legislation Sponsored by Study Group

- HB 1363, Chapter 460 – Human Services - Two Generation Family Economic Security Commission
 - Reestablishes the Two Generation Family Economic Security Commission

Proposed Legislation

Sponsored by Study Group

- HB 1232 – Income Tax Credits - Employer Child Care Centers and Employer-Provided Child Care Services
 - Would have created Employer Child Care Center Tax Credit Reserve Fund and an Employer-Provided Child Care Services Tax Credit Reserve Fund
 - Would have created a nonrefundable tax credit for a taxpayer who incurs qualified expenses for an eligible employer child care center and for the eligible costs of employer-provided child care services

Other Relevant Proposed Legislation

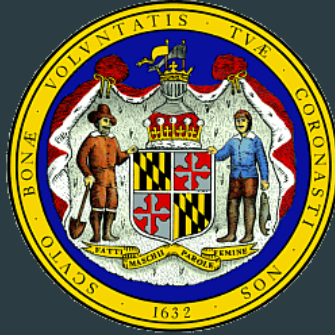
- HB 1559 – Child Care Scholarship Program - Alterations (Child Care for Working Families Act)
 - Would have altered eligibility requirements for the Child Care Scholarship Program
 - Would have established maximum copayment amounts for subsidized child care

Other Proposed Legislation (Cont.)

- HB 839/SB 539 – Labor and Employment - Family and Medical Leave Insurance Program – Establishment
 - Would have established the Family and Medical Leave Insurance (FAMLI) program and FAMLI Fund
 - Would have provided up to 12 weeks of benefits to a covered individual taking leave from employment due to specified personal and family circumstances

Other Proposed Legislation (Cont.)

- HB 1313/SB 787, Chapter 457 – Family Investment Program - Temporary Cash Assistance - Eligibility
 - Prevents the Department of Human Services from reducing or terminating the assistance provided to Family Investment Program recipients for noncompliance with work activity requirements if individuals have “good cause”



House of Delegates Study Group

Economic Stability

Delegate Mike McKay and Delegate Pam Queen, Co-Chairs

Wednesday, September 30, 2020
1:00 pm

Highlights of United Ways of Maryland

The Impact of Benefits Cliff

“Potential **loss of public benefits** to working families resulting in **small increases to earned income**”



United Way ALICE Families

In Maryland, **more** than **one** in **three working households** can't afford basic expenses like food, housing, healthcare, childcare, and transportation.

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Focus of Benefits Cliff Study

Types of Families

- ▶ 1 Adult Households
- ▶ 1 Adult, 2 Children Households
- ▶ 2 Adults, 2 Children Households

Safety Net Programs

- ▶ Food Supplement Program (FSP)
- ▶ Temporary Cash Assistance (TCA)
- ▶ Medical Assistance (MA), Maryland Children's Health Insurance Program (MCHP), and Maryland Health Connection (MHC)
- ▶ Housing Choice Voucher Program (HCVP)
- ▶ Office of Home Energy Programs (OHEP)
- ▶ Child Care Scholarship Program (CCSP)
- ▶ Child and Dependent Care Tax Credit (CDCTC)
- ▶ Earned Income Tax Credits (EITC) and Poverty Level Credits

United Way Recommendations



▶ General

- ▶ Gradually Phase-out Benefits - SNAP, E&T, TANF, and Childcare
- ▶ Match Maryland Dollars to Federal Dollars

▶ Specific Areas

- ▶ Housing, Childcare, Employment, Health

NCSL

State Policy Strategies



- ▶ MAPPING BENEFITS CLIFFS
- ▶ ALIGNING ELIGIBILITY LEVELS
- ▶ MAKING WORK PAY
- ▶ INCREASING FAMILY ECONOMIC SECURITY THROUGH ASSET DEVELOPMENT
- ▶ FOSTERING CULTURE AND SYSTEM CHANGES IN THE PUBLIC AND PRIVATE SECTORS

<https://www.ncsl.org/research/human-services/addressing-benefits-cliffs.aspx>

Next Steps and Policy Plans

2021 Maryland General Assembly