



## TESTIMONY IN SUPPORT OF SB 452

Family Investment Administration – Temporary Cash Assistance - Funding

Senate Budget and Taxation Committee

February 12, 2020

Submitted by Stacey Jefferson and Margo Quinlan, Co-Chairs

### Member Agencies:

Advocates for Children and Youth  
Baltimore Jewish Council  
Behavioral Health System Baltimore  
CASH Campaign of Maryland  
Catholic Charities  
Episcopal Diocese of Maryland  
Family League of Baltimore  
Fuel Fund of Maryland  
Health Care for the Homeless  
Homeless Persons  
Representation Project  
Job Opportunities Task Force  
League of Women Voters of Maryland  
Loyola University Maryland  
Maryland Catholic Conference  
Maryland Center on Economic Policy  
Maryland Community Action  
Partnership  
Maryland Family Network  
Maryland Hunger Solutions  
Paul's Place  
Public Justice Center  
St. Vincent de Paul of Baltimore  
Welfare Advocates

### Marylanders Against Poverty

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**Marylanders Against Poverty (MAP) strongly supports SB 452**, which increases the appropriation for the Temporary Cash Assistance (TCA) program by requiring the Governor to provide funds in the budget to ensure that the value of TCA, combined with federal food stamps, reaches 71% of the State Minimum Living level by FY 2026.

**Maryland has one of the highest rates of Deep Poverty in the entire country:** of individuals who live below the poverty line in Maryland, 48% - almost 1 in 2 – live at 50% of the poverty line or lower, which is \$6,380 for an individual.<sup>1</sup> Regrettably, many of these individuals are the Marylanders receiving public benefits, as our benefit levels fall far short of bringing individuals even close to living near or above the poverty line. Currently, the Temporary Cash Assistance program – when combined with federal SNAP benefits – only equals 61% of the Maryland Minimum Living Level (MLL).

**TCA provides vital resources to children and their caretakers – as well as strengthen our State's economy.** Families use TCA benefits to purchase housing, food, transportation, and other basic needs. These funds are immediately spent in the local economy, generating economic growth. Consequently, increasing the TCA benefit amount not only assists the families receiving it, but it also benefits Maryland's businesses, communities, and local economies. A study from Arkansas' TANF cash program found for every dollar the state spent on benefits resulted in a return of \$1.79 to taxpayers, which is a significant return on investment for the state.<sup>2</sup>

**Increasing TCA helps parents transition from welfare to work.** A recent study from the School of Social Work found that almost 2/3rds of families who have left TCA after five (5) years are still living in deep poverty. Increasing the benefit amount will allow families to have a greater financial stability, which can assist in locating work, moving off of TCA permanently and building economic security.

**In the wealthiest state in the country, it's a moral imperative to increase TCA to a level that provides a more livable income.** An increase in the TCA benefit is long overdue – the program has been at 61% of the MLL since Welfare Reform in 1996. As the cost of living continues to rise, families on TCA are left with few options on how to even attempt to make ends meet on a benefit that reaches 61% the Maryland Minimum Living Level. Without an increase, Marylanders will continue to bear the societal costs of homelessness and abject poverty among this vulnerable population.

**MAP appreciates your consideration, and strongly urges a favorable report on SB 452.**

*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.*

<sup>1</sup> US Census. 2019. American Community Survey Data.

<sup>2</sup> College Counts: Evidence of Impact. (2016). *Measuring a State's Return on Investment*.

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