

‘Heat & Eat Program’ Would Leverage Federal Funding to Support Low-Income Households

Position Statement in support of House Bill 101

Given before the Appropriations Committee

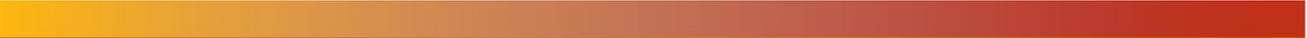
Ensuring that low-income Marylanders receive much needed additional Supplemental Nutrition Assistance Program (SNAP) benefits by at least simply taking advantage of the federal dollars that are available, shouldn't even be a question. HB 101 which calls for the Department of Human Services to implement the Heat & Eat Program with SNAP in Maryland would benefit households in need as well as the Maryland economy as a whole. Credible research and evidence from other states shows that the establishment of the Heat and Eat Program can help avoid benefit cuts and preserve hundreds of millions of dollars in food aid. This aid would provide essential benefits to low-income households that are still dealing with the financial effects of the coronavirus pandemic. For these reasons, the Maryland Center on Economic Policy supports House Bill 101.

The Heat & Eat Program is an existing federal program that allows low-income residents who are eligible for SNAP and energy assistance to receive additional SNAP dollars from the federal government. The program is well established and is has been successfully and impactfully implemented in over a dozen other states. Maryland has so far not taken advantage of the program, meaning that low-income Marylanders are missing out on much-needed federal assistance.

The Heat and Eat Program functions by providing a Low Income Home Energy Assistance Program (known in Maryland as the Maryland Energy Assistance Program) benefit to eligible households who pay their utility costs through their rent. This benefit would qualify recipients to receive an allowance based on the average of the state's utility cost, called the “standard utility allowance.” This increases the probability that low-income households would qualify for increased shelter deductions and as a result, increased SNAP benefits. While existing federal dollars are there to be used, state money can also be used to increase the funds that are available. While a state contribution would be a beneficial investment of state dollars, Maryland at the very least needs to take advantage of the federal LIHEAP funds that have been unutilized and wasted for years.

With the use of just a few million dollars in federal LIHEAP funds, other states have been able to preserve hundreds of millions of dollars in food aid for low-income households. This can be the case in Maryland too. In 2016, the Maryland Department of Human Resources analyzed the effect of implementing the Heat and Eat Program, estimating that 32,000 Marylanders would receive an average of \$59 a month of additional SNAP benefits. As a result of the COVID-19 pandemic these figures have more than likely increased.

If we want to foster broadly shared prosperity across our state, we should make sure that low-income residents are receiving the maximum amount of federal assistance that is available to them. This is especially vital considering the fact that we are in the middle of a pandemic that will continue to create financial hardship for years to come.



The Heat and Eat program is a program that should have been implemented years ago, but just because this available federal funding has not been utilized in the past, does not mean that it should not be maximized now. There simply is no reason not to implement this program as it will provide additional economic stability for low-income Marylanders for years to come.

For these reasons, the Maryland Center on Economic Policy respectfully requests that the Appropriations Committee make a favorable report on House Bill 101.

Equity Impact Analysis: House Bill 101

Bill Summary

House Bill 101 would require the state to enroll in the federal “Heat and Eat Program,” a federal program that allows low-income residents who are eligible for SNAP and energy assistance to receive additional SNAP dollars from the federal government.

Equity Implications

Policies in the past have led to a system of unequal opportunities for marginalized groups within Maryland. Although the most obvious racially discriminatory policies have long been overturned or mitigated, the impact of these policies continue to persist in both society and public policy, and have led to significant racial and health disparities. People of color experience much higher rates of economic insecurity and poverty, and are more likely to use SNAP to afford enough to eat and are more likely to have trouble affording utility bills.

Research shows that increasing economic security for households through programs like SNAP and LIHEAP can help reduce overall poverty, child poverty, and racial and ethnic inequities¹.

Impact

House Bill 101 would likely improve racial and economic equity in Maryland.

¹ Danilo Trisi and Matt Saenz, Center on Budget and Policy Priorities, “Economic Security Programs Reduce Overall Poverty, Racial and Ethnic Inequities,” January 2021. <https://www.cbpp.org/research/poverty-and-inequality/economic-security-programs-reduce-overall-poverty-racial-and-ethnic>

