SB0040 Sales and Use Tax – Diapers – Exemption
Presented to Hon. Guy Guzzone and Members of the Senate Budget and Taxation Committee
January 9, 2020 1:00 p.m.

POSITION: SUPPORT

NARAL Pro-Choice Maryland urges the Senate Budget and Taxation Committee a favorable report on SB0040, Sale and Use Tax – Diapers - Exemption, sponsored by Senator Clarence Lam.

Our organization is an advocate for reproductive health, rights, and justice. As part of our efforts to protect reproductive freedom for all Marylanders, we work to ensure every child-bearing individual has the right to decide if, when, and how many children to have, and to parent in good health, in safety, and with dignity. In doing so, we support measures to increase timely and fair access to basic hygiene products. There are families in Maryland for whom cost and access to basic products and services remain barriers to childrearing. Being without diapers can lead to emotional and financial stress, infant physical health problems, and inability to access childcare.

According to a 2018 report by the National Diaper Bank Network, 20% of Maryland children live in families earning less than 100% the Federal Poverty Level (FPL), and 22% of children live in families earning 100%-200% of FPL. This means that a significant number of Maryland’s children live in a situation of poverty. The average retail cost of diapers is approximately $80 per child per month, which adds up to about $1000 per year. Given that children need diapers from infancy to the age of 2 or 3, families with multiple children will spend thousands of dollars on diapers within a short time frame. This causes an enormous burden on families living in poverty, as they might be forced to choose between purchasing diapers and paying for other necessary living costs.

Not having an adequate supply of clean diapers brings considerable public health risks, as well as implications for maternal mental health. There are adverse health effects associated with the inability to change an infant’s diaper as needed. Infants and toddlers can develop rashes which may turn into open sores, infections including yeast and urinary tract, and other illnesses if their diapers are not changed regularly. Further, if families are forced to choose between basic necessities, such as heating or nutritious food and diapers, children could suffer adverse health outcomes even if they are adequately diapered. There are also considerable mental health implications for mothers that are not able to properly diaper their children. A 2013 Yale University study indicates that diaper need is a form of material hardship, and thus represents a
risk factor for poor maternal mental health\textsuperscript{1}. Additionally, most childcare facilities require parents to provide diapers for their child. Approximately 57\% of families that experience diaper need and rely on childcare report that they missed an average of four days of school or work in a month because they did not have diapers\textsuperscript{2}. Thus, diaper need is a significant barrier to child and parental health, available childcare, and economic security.

According to the 2017 Report on the Feasibility of Creating a Benefit for the Purchase of Diapers, it is not feasible to create a state supplemental benefit for diaper purchase. Families are unable to use money from supplemental nutrition programs, such as Supplemental Nutrition Assistance Program for Women, Infants, and Children (WIC), to purchase diapers\textsuperscript{3}. The only assistance program that can be used to purchase diapers is Temporary Assistance for Needy Families. The maximum TANF benefit for a family of 3 (single parent and 2 children) is $648, and the average cost of diapers accounts for a significant 12\% of that benefit, so quite often the funds are not used for diapers \textsuperscript{4}. Maryland’s Temporary Cash Assistance (TCA) program could potentially administer a supplemental diaper benefit; however, there is the issue of program integrity, as it is “virtually impossible” to determine if TCA recipients are using their benefit to purchase diapers. Therefore, the proposal to eliminate the sales tax on baby diapers is currently the only feasible and cost-effective option to reduce the cost of diapers for Marylanders experiencing poverty. However, we are open to supporting other strategies that may help more low-income families afford diapers, such as prioritizing tax breaks for those eligible for WIC, SNAP, or TCA, or a state funded benefit cap on diaper purchases that may be more meaningful for those facing harsher economic or housing instability.

We strongly support caregivers having access to affordable diapers to care for infants and toddlers. Childrearing without proper hygiene products is stressful and unhealthy for both parents and children. The ability to parent with dignity is essential to the realization of reproductive freedom, and contributes to realizing plans to add to one’s existing family. For these reasons, NARAL Pro-Choice Maryland urges a favorable committee report on SB0040. Thank you for your time and consideration.

\textsuperscript{1} Kruse, Anna, "Diaper Need And Maternal Mental Health: A Geographic Assessment In The City Of New Haven" (2013). Public Health Theses. 1153. [online] \url{http://elischolar.library.yale.edu/ysphtdl/1153} [Accessed 8 Jan. 2020]