



Second Harvest Food Bank of Northwest North Carolina 2024 State Policy Priorities

State Funding for Food Banks:

The North Carolina Food Banks have received funding that is authorized by the General Assembly in the annual state budget. This funding is used to purchase and distribute locally sourced foods to provide to our neighbors seeking food assistance. With the end of the pandemic waivers and programs, North Carolina food banks have experienced a dramatic increase in households requesting assistance:

- Reauthorize and make recurring \$6 million in funding for the Feeding the Carolinas food banks in the annual state budget.

Anticipated Timeline: The legislative session is scheduled to adjourn on July 31, 2024.

Protect and Strengthen SNAP (FNS) Benefits:

SNAP is proven to be one of the most effective anti-hunger programs in the United States. Congress made many temporary improvements to SNAP during the COVID-19 pandemic to take advantage of the program's ability to deliver benefits quickly in response to job and income losses, including authorizing emergency allotments and certain eligibility and administrative changes. With the end of COVID waivers, North Carolina has significant opportunity to improve the reach and impact of the program.

- Protect and expand SNAP (FNS) to support individuals and families most at risk for being food insecure. HB 747, No Work Requirements Exemptions/FNS Benefits, was passed in the House on May 2, 2023. No further action in the Senate. This bill would prevent NC DHHS from applying for work requirement exemptions when unemployment rates attain a certain level. This bill would require that the arbitrary time limit for FNS benefits could not be waived unless a Presidential Disaster Declaration is in place.

Anticipated Timeline: Given concerns raised by NC DHHS regarding the high cost of implementation, this bill may not advance in the Senate. Continued advocacy required.

School Meals for All NC:

Providing school meals for all is positively associated with students' academic performance, attendance, and participation in the school meal programs. School meals for all also eliminates the stigma that arises from school meal debt. Meals served in school

have been shown to be of higher nutritional quality than those brought from home. As 1 in 6 children in North Carolina is

food insecure, school meals for all can improve food security for those students.

- Provide school meals at no cost for all students in North Carolina schools.

Anticipated Timeline: This year's session is a short session that is normally used to make budget adjustments. The session is scheduled to begin on April 24 and adjourn on July 31. Continued advocacy required.

Exempt Nonprofits from Paying Sales Tax:

Under current law, 501(c)(3) nonprofits pay sales tax when they purchase goods and services in North Carolina and are eligible to apply to the N.C. Department of Revenue (DOR) for semi-annual refunds of the sales and use taxes they have paid. North Carolina is one of two states with a sales tax refund system for nonprofits (Utah is the other). In most other states, 501(c)(3) nonprofits receive sales tax exemption certificates and vendors do not charge them sales tax at the point of sale.

- Simplify nonprofit sales tax refund process by passing the bipartisan H.B. 882, Nonprofit Sales Tax Exemption, and Senate S.397, Nonprofit Fundraising Sales Tax Exemption, which would replace the nonprofit sales tax refund system with sales tax exemption for most 501(c)(3) nonprofits.

Anticipated Timeline: This year's session is a short session that is normally used to make budget adjustments. The session is scheduled to begin on April 24 and adjourn on July 31. Continued advocacy required.