



**Testimony HB 992
Ways & Means Committee
March 2, 2022
Position: FAVORABLE**

Dear Chairperson Atterbeary and Members of the Ways & Means Committee:

The Community Development Network of Maryland (CDN) is the voice for Maryland's community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland's urban, suburban and rural communities. CDN envisions a state in which all communities are thriving and where people of all incomes have abundant opportunities for themselves and their families.

Maryland is one of the 28 states that values hard working citizens by offering a state version of the EITC. This is powerful anti-poverty tool. Research shows it substantially benefits women and communities of color and helps keep people engaged in the workforce. Unfortunately, many people's ability to stay connected to the workforce is threatened. Right now, many low-paid workers are fighting to gain or maintain financial security and refundable tax credits are a critical tool for supporting them.

According to the National Low Income Housing Coalition (NLIHC), 39% of low-income and 86% of extremely low-income households are cost burdened to due housing expenses in Maryland. Cost burden is when a household is spending more than 30% of their income on housing expenses¹. Increases in the EITC can help reduce housing cost burdens, household crowding, and reducing doubling up. Improving housing outcomes and increasing the stability in living arrangements of children, the EITC may help reduce the intergenerational consequences of housing instability².

CDN supports HB 992 because this bill will help families by:

- Matching 45% of the federal EITC for low income working families
- Matching 100% of the federal EITC for low-income single filers unable to claim dependents
- Maintaining eligibility for ITIN filers
- Expanding income eligibility for single filers unable to claim dependents.

The EITC is one of the most powerful tools Maryland has to lift workers out of poverty. HB 992 will permanently strengthen Maryland's EITC and help many toward an equitable recovery from the Covid-19 pandemic.

We urge encourage a favorable report on HB 992.

Submitted by Claudia Wilson Randall, Executive Director

¹ [National Low Income Housing Coalition \(NLIHC\)](#)

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