

HB1304 Delegate Kaiser Testimony (Senate).pdf

Uploaded by: Anne Kaiser

Position: FAV

ANNE R. KAISER
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Health and Government
Operations Committee

House Chair
Joint Committee on Cybersecurity,
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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

**Testimony in Support of HB1304:
Maryland Department of Health and Department of Aging - Earned Income Tax Credit -
Distribution of Information and Training
March 28, 2024**

Madam Chair Pamela Beidle and distinguished members of the Finance Committee, it is my pleasure to come before you and offer testimony in favor of **House Bill 1304**. This bill requires state agencies that administer public assistance programs to inform individuals about the federal and state Earned Income Tax Credit.

As amended the bill aims to direct customer service representatives – at a given agency – to tell individuals who are seeking information or assistance with another public assistance program about the Earned Income Tax Credit. When someone seeks benefits in person, over the phone or online from any agency, they should be informed about the Earned Income Tax Credit.

Maryland is to be commended for creating so many programs to lift-up those with economic needs. Unfortunately, not enough is done to ensure that people seeking benefits from one agency are educated about potential benefits offered by other agencies. In particular, the Earned Income Tax Credit which provides up to \$7,430 federally and half as much from the state, is a huge benefit that it is estimated that 130,000 qualified individuals don't apply for.

Other bills have been introduced this session to expand awareness of the state Earned Income Tax Credit. I believe this bill is complementary to those efforts and will increase the odds that someone applies for this important benefit to help lift them out of poverty.

This bill had 63 bipartisan cosponsors in the House, passed unanimously, and the fiscal note was nearly eliminated. I urge a favorable report on **House Bill 1304**. Thank you.

Written Support - HB1304 - EITC Training - MDOA -

Uploaded by: Carmel Roques

Position: FAV



Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

Date: March 25, 2024

Bill Number: **HB1304**

Bill Title: Maryland Department of Health and Department of Aging - Earned Income Tax Credit - Distribution of Information and Training

Committee: Senate Finance

MDOA Position: FAVORABLE

The Department of Aging (MDOA) submits this letter of support for House Bill 1304 - Maryland Department of Health and Department of Aging - Earned Income Tax Credit - Distribution of Information and Training.

The Maryland Department of Aging (MDOA) serves as Maryland's State Unit of Aging, administering federal funding for core programs, overseeing the Area Agency on Aging (AAA) network at the local level that provides services, and planning for Maryland's older adult population. A core service MDOA and staff at Maryland's AAAs provide is the Maryland Access Point (MAP), which serves as Maryland's Aging and Disability Resource Center (ARDC) under longtime federal law, the Older Americans Act.

Maryland Access Point assistance is intended to be a gateway or single point of entry into the long-term services and supports system for older adults, people with disabilities, caregivers and families. Largely through phone contact, this is where older Marylanders and caregivers of all income levels can call and get unbiased, reliable information about long-term services and supports and in their county, as well as person-centered options counseling and basic guidance and referrals on certain income-based and/or age-based programs. There is permissible variation in what services AAA MAP refer to, including available local tax advising services. MDOA has a MAP/"No Wrong Door" Coordinator that oversees the statewide MAP staff network at all 19 AAAs and regularly convenes virtual training sessions for all AAA MAP teams, which provide an easy avenue for MDOA to provide the awareness-raising training on the state earned income tax credit on HB1304.



Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

For these reasons, the Department of Aging respectfully urges a favorable report for HB1304. If you have any questions, please contact Andrea Nunez, Legislative Director, at andreah.nunez@maryland.gov or (443) 414-8183.

Sincerely,

A handwritten signature in blue ink that reads "Carmel Roques". The signature is fluid and cursive, with a long horizontal stroke at the end.

Carmel Roques
Secretary
Maryland Department of Aging

Maryland Catholic Conference_FAV_HB1304 SENATE CRO

Uploaded by: Jenny Kraska

Position: FAV



**MARYLAND
CATHOLIC
CONFERENCE**

March 28, 2024

HB 1304

**Maryland Department of Health and Department of Human Services – Earned Income Tax Credit –
Distribution of Information**

Senate Finance Committee

Position: Favorable

The Maryland Catholic Conference (MCC) offers this testimony in support of House Bill 1304. The Catholic Conference is the public policy representative of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders. Statewide, their parishes, schools, hospitals, and numerous charities combine to form our state’s second largest social service provider network, behind only our state government.

House Bill 1304 would require the Maryland Department of Health and the Department of Human Services to provide information on the State’s earned income tax credit (EITC) to those individuals enrolled or participating in certain programs or services administered by the departments. This legislation is an important step towards empowering low-income families and individuals to access financial resources that help lift them out of poverty.

The dignity of the human person is central to our Catholic social teaching, and every individual deserves the opportunity to live a life of dignity and fulfillment. However, many low-income families and individuals struggle to make ends meet, facing financial insecurity and barriers to economic opportunity. The earned income tax credit is a vital tool for addressing these challenges, providing much-needed financial assistance to working families and individuals while promoting employment and economic mobility.

By requiring the Maryland Department of Health and the Department of Human Services to provide information on the EITC to individuals enrolled or participating in certain programs or services, this legislation ensures that those who are most in need of support are aware of the resources available to them. Access to information is key to empowering individuals to make informed decisions about their financial well-being and to access the benefits and assistance for which they are eligible.

By ensuring that low-income families and individuals have access to the EITC, we not only alleviate poverty and promote economic security but also strengthen the fabric of our communities and promote human flourishing for all.

The MCC appreciates your consideration and, for these reasons, respectfully requests a favorable report on House Bill 1304.

Montgomery County Community Action Board Testimony

Uploaded by: Leslie Frey

Position: FAV



Montgomery County Community Action Board Testimony
HB 1304 - Maryland Department of Health and Department of Human Services - Earned Income
Tax Credit - Distribution of Information
March 28, 2024
SUPPORT

TO: The Honorable Pamela Beidle, Chair; The Honorable Katherine Klausmeier, Vice Chair; and
Members of the Finance Committee
FROM: Dr. Jeffery Johnson, Chair, Montgomery County Community Action Board

The Montgomery County Community Action Board, the County's local, state, and federally designated anti-poverty group, strongly supports HB1304, which would require the Maryland Department of Health to develop a process to distribute information about the Earned Income Tax Credit (EITC) to program participants and potential enrollees in Department services. The bill also requires training on the EITC for the Maryland Access Point Network.

The goal of this bill is to raise awareness about the Earned Income Tax Credit for Maryland residents who are likely eligible for the credit and ultimately increase the number of households that claim the EITC. Currently, about 20% of EITC-eligible households do not claim the credit each year. This is often due to lack of awareness. These households are missing out on extremely valuable credits. This year for example, the maximum federal EITC is \$7,430, a significant amount that could help many lower-income taxpayers put money into savings, pay their bills, pay down their debts, and address other necessities.

Our board has been a longtime advocate for the EITC because we know that it is one the best tools available to reduce poverty and help families meet the Self-Sufficiency Standard. Extensive research also links the EITC to numerous positive impacts well beyond the financial realm. These include reductions in health disparities¹ and the credit's impact on racial equity as research has shown its greater impact on reducing poverty for households of color².

This bill is particularly beneficial in Montgomery County because the County's Working Families Income Supplement (WFIS) matches a portion of the state EITC. We are very fortunate to be one of just a handful of local jurisdictions that supplements matching funds to the state credit. HB1304 could link more County residents to both the EITC and the WFIS.

¹ https://www.kellogg.northwestern.edu/faculty/garthwaite/htm/EITC_Health_Final_Draft.pdf and <http://ftp.iza.org/dp12417.pdf>

² <https://www.cbpp.org/research/state-budget-and-tax/state-earned-income-tax-credits-help-build-opportunity-for-people-of>

This bill is also of interest to our board because the Montgomery County Community Action Agency oversees the County's Volunteer Income Tax Assistance (VITA) Partnership, and hosts the County's only year-round free tax preparation VITA site. Last year, the agency's VITA program completed over 1,900 tax returns for lower-income County households last year, with a total free tax impact of \$7 million.

It is important to note that the Maryland EITC is especially significant in an area like Montgomery County, and so many parts of the state, where the cost of living is so high. According to the 2023 Montgomery County Self-Sufficiency Standard, a household with two working adults, one preschooler, and one school-age child would need to earn \$122,943 annually to cover their basic necessities, over four times the federal poverty level.³ Larger tax refunds would have a significant impact on many County households, helping them move closer to the Self-Sufficiency Standard.

The Montgomery County Community Action Board strongly supports HB1304 and asks for the Committee's favorable report.

³ https://www.montgomerycountymd.gov/HHS-Program/Resources/Files/MDMontCo2023_SSS.pdf