

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau
P.O. BOX 259

HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
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GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 233, H.D.1, Relating to a Child Tax Credit

BEFORE THE:

House Committee on Finance

DATE: Wednesday, March 1, 2023

TIME: 2:30 p.m.

LOCATION: State Capitol, Room 308

Chair Yamashita, Vice-Chair Kitagawa, and Members of the Committee:

The Department of Taxation ("Department") offers the following comments regarding H.B. 233, H.D.1, for your consideration.

H.B. 233, H.D.1, adds a new section to chapter 235, Hawaii Revised Statutes (HRS), to create a refundable child tax credit for each "qualifying individual taxpayer" with an adjusted gross income of \$60,000 or less. The tax credit is \$1,000 per year for each child dependent aged five years or younger and \$500 for each child dependent aged six years or older, but younger than 18 years. The credit will be distributed to a qualifying individual taxpayer over 12 consecutive months. "Qualifying individual taxpayer" is defined within the measure. This measure has a defective effective date of June 30, 3000.

The Department recommends making the tax credit nonrefundable, as refundable credits are more prone to fraudulent claims.

Further, the Department requests that subsection (b) on page 3, lines 1 through 3 of the bill, which requires that the child tax credit be equally distributed over 12 consecutive months, be deleted, as this provision will be difficult for the Department to administer.

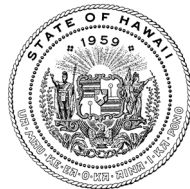
The Department estimates an expected revenue loss to the general fund as follows (\$ millions):

FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
-	-78.6	-77.6	-77.0	-77.2	-77.7

Finally, the Department notes that it will require resources and time to implement the new credit. Accordingly, the Department requests that when the effective date of the measure is updated, it be amended to apply to taxable years beginning after December 31, 2023.

Thank you for the opportunity to provide comments on this measure.

JOSH GREEN, M.D.
GOVERNOR



LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY
TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 233, H.D. 1

March 1, 2023
2:30 p.m.
Room 308 and Videoconference

RELATING TO A CHILD TAX CREDIT

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill (H.B.) No. 233, H.D. 1, establishes a refundable State Child Tax Credit payable on a monthly basis.

Rather than taking a piecemeal approach, B&F strongly believes that the holistic approach in the Green Affordability Plan, H.B. No. 1049, is a more suitable option in providing needed financial relief to Hawai'i's residents.

Thank you for your consideration of our comments.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 233 HD1: RELATING TO A CHILD TAX CREDIT

TO: House Committee on Finance

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawaii

Hearing: Wednesday, 3/1/23; 2:30 PM; VIA VIDEOCONFERENCE or CR 308

Chair Yamashita, Vice Chair Kitagawa, and Members, Committee on Finance:

Thank you for the opportunity to provide testimony **in Strong Support of HB 233 HD1**, which establishes a refundable state tax credit, payable on a monthly basis. I am Rob Van Tassell with Catholic Charities Hawaii. This bill provides one step to address the great burden that Hawaii's cost of living places on our citizens.

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawaii for over 75 years. CCH has programs serving elders, children, families, homeless and immigrants. Our mission is to provide services and advocacy to the most vulnerable of the people in Hawaii. This bill is one of our economic justice priorities.

Many of the vulnerable in Hawaii are the working. They are people who earn low wages through hard work but due to our high cost of living struggle to make ends meet. We serve these low-income workers in our programs. They are often barely able to avoid homelessness, or working several jobs to juggle the basic expenses of their families and unable to spend time raising their children. These workers are parents who try very hard to support their own families but often must also rely on some type of public or charitable assistance. A monthly payment to them to help with child care or other costs of raising their children would be a godsend to them.

Catholic Charities Hawaii strongly supports tax relief that will help our residents live a life of peace and dignity. Creating a refundable child tax credit for Hawaii's working families is one step to help our residents cope with the high cost of living in Hawaii, especially child care. Raising a child is expensive and is often a heavy burden for our workforce families. This state child care credit will assist our working families in meeting their basic needs.

Catholic Charities Hawaii strongly urges your support for HB 233 HD1.

If you have any questions, please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356, or bettylou.larson@catholiccharitieshawaii.org.





holomua

COLLABORATIVE

OUR MISSION

To support and advance public policies that make Hawai'i affordable for all working families.

OUR VISION

Collaborative, sustainable, and evidence-based public policies that create a diverse and sustainable Hawai'i economy, an abundance of quality job opportunities, and a future where all working families living in Hawai'i can thrive.

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HolomuaCollaborative.org

Page 1 of 2

Committee: House Committee on Finance
Bill Number: HB 233, HD1, Relating to a Child Tax Credit
Hearing Date and Time: March 1, 2023 at 2:30pm (Room 308)
Re: Testimony of Holomua Collaborative in support

Aloha Chair Yamashita, Vice Chair Kitagawa, and Committee Members:

We write in support of HB 233, HD1, Relating to a Child Tax Credit. The purpose of HB 233, HD1 is to establish a refundable child tax credit for Hawai'i's working families. Doing so would fill an important gap. To address child poverty, the American Rescue Plan Act of 2021 increased the *federal* child tax credit from \$2,000 to \$3,600 for qualifying children under the age of six and \$3,000 for other qualifying children under the age of 18. It also allowed the credit to be distributed monthly.

But even though these provisions lifted millions of families and their children out of poverty, they expired at the end of 2021. Since then, at least twelve states have enacted their *own* child tax credit.

Holomua supports innovative initiatives that help make Hawai'i affordable to all working families. We are especially interested in fostering cross-sector collaboration and supporting policies that are evidence-based. And we know—thanks to the years of testing this policy underwent during the period of the expanded federal state child tax credit—that the policy approach in HB 233, HD1 checks all those boxes.

Innovation: Bloomberg has noted that the expanded federal child tax credit was “uniquely well-designed to address the increasingly precarious economic reality that millions of Americans experience.”¹ The Census Bureau has found in its research that 1/3 of Americans were poor for at least two months, but less than 3% were poor the entire time. And that is where the innovation for this program comes in. The gap caused by the expiration of the federal expansion—and that this newly proposed state child tax credit would fill—includes the pioneering solution to pay part of the benefit *monthly*, in advance, to all parents.

Cross-sector collaboration: Support for the program, because of its effectiveness, came from multiple quarters. Over 200 economists supported it, noting that the program—at under 0.4% of GDP—was too small to increase inflation, but helped families meet rising costs.² In addition, the program

¹ See “America’s Endangered Solution to Child Poverty,” in Bloomberg News, February 8, 2022 (<https://www.bloomberg.com/opinion/articles/2022-02-08/expanded-child-tax-credit-was-a-crucial-innovation?leadSource=uverify%20wall>).

² See “200+ Economists Urge Congressional Leaders to Extend the Expanded CTC to Help Families Meet Rising Costs and Promote Economic Health,” Economic Security Project, December 15, 2022 (<https://economicsecurityproject.org/resource/economists-urge-congressional-leaders-to-extend-the-expanded-ctc-to-help-families-meet-rising-costs/>).

received support from the U.S. Conference of Catholic Bishops, Small Business for America’s Future, and the National League of Cities, among others.

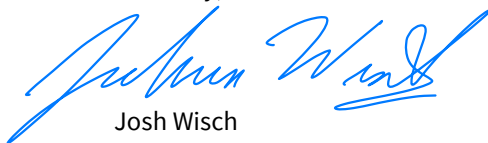
Evidence-based: The expanded federal child tax credit succeeded in reducing child poverty. The U.S. child poverty rate fell 46% to its lowest level in 2021, according to the U.S. Census Bureau. The temporary credit lifted nearly 4 million children out of poverty and reduced the number of households that reported not having enough food.³

We also know that this program benefited families from a wide range of circumstances, as the expanded federal child tax credit was available to almost all middle-and-low income families.

The demonstrated success of the expanded federal child tax credit is why 12 other states, so far, have enacted their own state child tax credits. And they do this knowing that beyond helping families, it also aids the broader economy. As reported by Brookings, families used the expanded child tax credit to cover routine expenses without reducing their employment.⁴ And Small Business for America’s Future noted that a survey from a diverse coalition of the country’s leading small business groups found that 62% of small business owners said the flexibility and predictability of the child tax credit allowed parents to increase expenditures on things like home-and-family-based child care, which benefits small businesses that need workers with stable schedules.

Many families went off a financial cliff when the federal government failed to extend this program. Hawai’i is in a good position to follow the lead of many other states and help fill this gap with an innovative, evidence-based program that will lift people out of poverty, while benefiting the broader economy as well. We are proud to support it.

Sincerely,



Josh Wisch
President & Executive Director

³ See “You’re not getting child tax credit checks anymore. Here’s why,” in the Los Angeles Times, January 3, 2023 (<https://www.latimes.com/politics/story/2023-01-03/child-tax-credit-expired-stimulus>).

⁴ See “The impacts of the 2021 expanded child tax credit on family employment, nutrition, and financial well-being,” Brookings Institution, April 2022 (https://www.brookings.edu/wp-content/uploads/2022/04/Child-Tax-Credit-Report-Final_Updated.pdf).



HB 233, HD1, RELATING TO A CHILD TAX CREDIT

MARCH 1, 2023 · HOUSE FINANCE COMMITTEE ·
CHAIR REP. KYLE YAMASHITA

POSITION: Support.

RATIONALE: Imua Alliance supports HB 233, HD1, relating to a child tax credit, which establishes a refundable state child tax credit payable on a monthly basis.

Raising children is expensive. Recent reports show that the cost of raising a child is over \$200,000 throughout the child's lifetime. The American Rescue Plan Act of 2021 increased the federal child tax credit from \$2,000 to \$3,600 for qualifying children under age six, and \$3,000 for other qualifying children under age eighteen, while allowing the credit to be distributed monthly.

Sadly, the provisions of the American Rescue Plan that strengthened the child tax credit expired at the end of 2021, despite lifting millions of families and their children out of poverty. The expanded credit has not yet been restored by Congress. In the face of federal inaction to maintain a robust child tax credit, states have a responsibility to enact policies that assist working families with children in meeting their basic needs.

According to the National Conference of State Legislatures, twelve other jurisdictions have enacted a state child tax credit. State laws vary regarding refundability and how child tax credits are calculated. The two primary approaches are either establishing a fixed limit or a percentage of the federal child tax credit. The fixed limit for state child tax credits ranges from \$75 to \$1,000 per child. The percentage for state child tax credits range from five per cent to thirty-three per cent

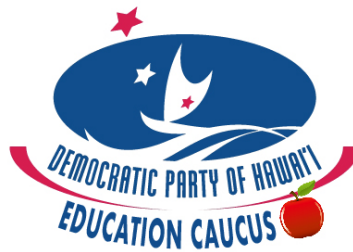
of the federal child tax credit. This proposal would establish a refundable child tax credit for Hawai'i's working families of \$1,000 for each child aged 0-5 and \$500 for each child aged 6-17, to be distributed to qualifying taxpayers on a monthly basis.

Furthermore, the child tax credit is a boon to the business sector. In November of 2022, the Economic Security Project released a report that stated:

Monthly Child Tax Credit payments made it easier for recipients to work. In one national survey, one-quarter of respondents reported that the monthly payments made it easier for them to engage in paid work or work more hours. Black respondents were twice as likely as white respondents to say so, and lower-income respondents were more likely to say so than higher-income counterparts...The Child Tax Credit creates jobs and encourages entrepreneurship. Support from these tax credits puts more money into local economies and helps burgeoning business owners by helping cover some of the costs of food, child care, and gas allowing more freedom to take a risk. According to recipient data, 21.3 percent of former tax credit recipients were either currently running their own business or planning to start one. The Niskanen Center found that extending the (national) Child Tax Credit for a year would support the equivalent of 500,000 private-sector jobs.

Our keiki are our most precious resource. As our islands continue to struggle with the nation's highest overall cost of living, passing this measure would ensure that working families have the financial resources that they need to help their children succeed.

Kris Coffield · Executive Director, Imua Alliance · (808) 679-7454 · kris@imuaalliance.org



HOUSE BILL 233, HD1, RELATING TO A CHILD TAX CREDIT

MARCH 1, 2023 · HOUSE FINANCE COMMITTEE ·
CHAIR REP. KYLE YAMASHITA

POSITION: Support.

RATIONALE: The Democratic Party of Hawai'i Education Caucus **supports** HB 233, HD1, relating to a child tax credit, which establishes a refundable state child tax credit payable on a monthly basis.

Raising children is expensive. Recent reports show that the cost of raising a child is over \$200,000 throughout the child's lifetime. The American Rescue Plan Act of 2021 increased the federal child tax credit from \$2,000 to \$3,600 for qualifying children under age six, and \$3,000 for other qualifying children under age eighteen, while allowing the credit to be distributed monthly.

Sadly, the provisions of the American Rescue Plan that strengthened the child tax credit expired at the end of 2021, despite lifting millions of families and their children out of poverty. The expanded credit has not yet been restored by Congress. In the face of federal inaction to maintain a robust child tax credit, states have a responsibility to enact policies that assist working families with children in meeting their basic needs.

According to the National Conference of State Legislatures, twelve other jurisdictions have enacted a state child tax credit. State laws vary regarding refundability and how child tax credits

are calculated. The two primary approaches are either establishing a fixed limit or a percentage of the federal child tax credit. The fixed limit for state child tax credits ranges from \$75 to \$1,000 per child. The percentage for state child tax credits range from five per cent to thirty-three per cent of the federal child tax credit. This proposal would establish a refundable child tax credit for Hawai'i's working families of \$1,000 for each child aged 0-5 and \$500 for each child aged 6-17, to be distributed to qualifying taxpayers on a monthly basis.

Furthermore, the child tax credit is a boon to the business sector. In November of 2022, the Economic Security Project released a report that stated:

Monthly Child Tax Credit payments made it easier for recipients to work. In one national survey, one-quarter of respondents reported that the monthly payments made it easier for them to engage in paid work or work more hours. Black respondents were twice as likely as white respondents to say so, and lower-income respondents were more likely to say so than higher-income counterparts...The Child Tax Credit creates jobs and encourages entrepreneurship. Support from these tax credits puts more money into local economies and helps burgeoning business owners by helping cover some of the costs of food, child care, and gas allowing more freedom to take a risk. According to recipient data, 21.3 percent of former tax credit recipients were either currently running their own business or planning to start one. The Niskanen Center found that extending the (national) Child Tax Credit for a year would support the equivalent of 500,000 private-sector jobs.

Our keiki are our most precious resource. As our islands continue to struggle with the nation's highest overall cost of living, passing this measure would ensure that working families have the financial resources that they need to help their children succeed.

Kris Coffield · Chairperson, DPH Education Caucus · (808) 679-7454 · kriscoffield@gmail.com



Testimony Presented to the House Committee on Finance
March 1, 2023, 2:30 p.m.

HB 233, HD1, RELATING TO A CHILD TAX CREDIT

Aloha Chair Yamashita, Vice Chair Kitagawa, and Committee Members:

aio is a family of businesses that spans many different industries but share a mission to provide products and services that promote Hawaii's unique values, its people and culture. We aim to provide the best products and services, but our larger mission is to leave the world a better place for future generations. At aio, we believe that the real rewards of business are realized in the lives we lead, the families we raise, and the communities that nurture us.

This is why we write in **support of HB 233**, Relating to a Child Tax Credit. The purpose of HB 233 is to establish a refundable child tax credit for Hawaii's working families.

This bill is needed because the expansion of the federal child tax credit that was included as part of the American Rescue Plan Act of 2021 recently expired, sending many families back into poverty. Hawai'i has the opportunity to join the twelve other states that have implemented this policy to help our working families cover the costs of food, child care and other necessities.

We are aligned with this approach of lifting people out of poverty while simultaneously providing a boost to the economy and are proud to testify in support.

Mahalo,

A handwritten signature in dark purple ink that reads "Brandon Kurisu".

Brandon Kurisu
aio Family of Companies





Date: February 28, 2023

To: House Committee on Finance
Representative Kyle T. Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair
And members of the Committee

From: Early Childhood Action Strategy

Re: Support for HB233, which would establish a refundable state child tax credit payable on a monthly basis

Early Childhood Action Strategy (ECAS) is a statewide cross-sector collaborative designed to improve the system of care for Hawai'i's youngest children and their families. ECAS partners work to align priorities for children prenatal to age eight, streamline services, maximize resources, and improve programs to support our youngest keiki.

ECAS strongly supports passage of HB233, which would establish a refundable state child tax credit payable on a monthly basis.

Investing in the well-being of Hawaii's children is essential to the creation of a prosperous and sustainable future. Hawaii children who come from low-income families are at risk to meet their diaper needs. According to the National Diaper Bank Facts on Hawaii, fifteen per cent of Hawaii families are recipients of supplemental nutrition assistance program

In the face of federal inaction to maintain a robust child tax credit, states have a responsibility to enact policies that assist working families with children in meeting their basic needs. The legislature further finds that according to the National Conference of State Legislatures, twelve other jurisdictions have enacted a state child tax credit.

Thank you for this opportunity to provide testimony **in support of HB233**.



Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

To: House Committee on Finance
Re: **HB 233, HD1 - Relating to a Child Tax Credit**
Hawai'i State Capitol & Via Videoconference
March 1, 2023, 2:30 PM

Dear Chair Yamashita, Vice Chair Kitagawa, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB 233, HD1**, relating to a child tax credit. This bill establishes a refundable state child tax credit payable on a monthly basis.

Hawai'i's tax system currently is upside down. Families who earn less than \$20,000 per year pay 15% of their income in state and local taxes, while those who make over \$450,000 pay only about 9%. In fact, our state saddles our low-income families with the second-heaviest state and local tax burden in the nation.¹

Tax credits help people keep more of their hard-earned money, and when targeted for lower to middle-income families, they reduce hardship and make our tax system more fair. A temporary federal child tax credit expansion was found to have dramatically reduced child poverty, but unfortunately that expansion has expired.²

Hawai'i can learn from the success of the temporary federal child tax credit expansion and create a similar credit at the state level. Along with improvements to other tax credits that families with children currently qualify for – such as the Earned Income Tax Credit, Refundable Food/Excise Tax Credit, and Child and Dependent Care Tax Credit – a Hawai'i Child Tax Credit could significantly reduce poverty among those families.

It is well established that the stresses of childhood poverty have both immediate and long-term effects on keiki's physical and mental health, behavioral self-control, academic achievement, and earnings as adults.³ Anything that we can do to help children avoid poverty – including creating and improving targeted tax credits – will have long-term benefits for our state.

Thank you,

Nicole Woo
Director of Research and Economic Policy

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¹ <https://itep.org/whopays/hawaii/>

² <https://itep.org/state-child-tax-credits-and-child-poverty-50-state-analysis/>

³ <https://www.apa.org/pi/ses/resources/indicator/2014/06/childhood-poverty>



BUILDBETTER.LIVEBETTER.®

February 28, 2023

Committee: House Committee on Finance
Bill Number: HB 233 HD1, Relating to a child tax credit
Hearing Date and Time: March 1, 2023 at 2:30pm
Re: Testimony of HPM Building Supply in Support

Dear Chair Yamashita, Vice Chair Kitagawa, and Committee Members:

I would like to submit this letter and written testimony in support of HB 233 HD1, Relating to the child tax credit. HB 233 HD1 establishes a refundable state child tax credit payable on a monthly basis.

HPM Building Supply is a 100% employee-owned company serving Hawaii's home improvement market and building industry for over 100 years since 1921. With 17 locations across Hawaii and Washington State, HPM offers various services and products, including retail stores, building supply and lumber yards, home design centers, drafting and design services, and manufacturing facilities. HPM is dedicated to enhancing homes, improving lives, and transforming communities. The company is guided by its core values of Heart, Character, and Growth, striving to provide top-quality products and build exceptional customer loyalty. HPM has earned recognition as a leader in the industry for its products, services, and commitment to its community.

As a State-wide employer with over 500 employees, we strive to provide competitive wages and support our employees. However, raising a family is challenging and additional support may be needed. This bill seeks to provide support to families with a tax credit that would be paid monthly. This boost can assist with paying for regular expenses such as utilities, childcare, or food. By being able to cover routine costs, families can focus on their work thus benefitting the overall economy.

This bill also aligns with HPM's values of Heart, Character, and Growth. By supporting our communities' families, we invest in our future. We show that we care about the future generations and our current workforce shaping it. Our company's value of Heart is caring for one another as a community.

Thank you for the opportunity to provide testimony in support of HB 233 HD1. I strongly encourage your support and passage of this measure.

Sincerely,

Dennis Lin
Community Relations Administrator



(808) 966-5466 • FAX (808) 966-7564
16-166 MELEKAHIWA STREET • KEAAU, HAWAII 96749

HPMHAWAII.COM





AMERICANS FOR DEMOCRATIC ACTION

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Doug Pyle, Secretary	Stephanie Fitzpatrick	Stephen O'Harrow		

February 28, 2023

TO: Chair Yamashita and Members of the Finance Committee

RE: HB 233 HD1 Relating to A Child Tax Credit

Support for Hearing on March 1

Americans for Democratic Action is an organization founded in the 1950s by leading supporters of the New Deal and led by Patsy Mink in the 1970s. We are devoted to the promotion of progressive public policies.

For individual taxpayers with an adjusted gross income of \$60,000, this bill will provide a credit of \$1,000 per year for each child aged five or younger and a \$500 credit for each child aged between six and 18 years. To address child poverty, the American Rescue Plan Act of 2021 increased the federal child tax credit from \$2,000 to \$3,600 for qualifying children under the age of six and \$3,000 for other qualifying children under the age of 18. According to Census data, the federal child tax credit cut child poverty in half. Unfortunately these expansions of the federal child tax credit expired at the end of 2021. We should join the twelve other states that have enacted a state child tax credit, according to the National Conference of State Legislatures. Therefore we support this bill.

Thank you for your consideration.

Sincerely,

John Bickel, President



TESTIMONY IN SUPPORT OF HB 233

TO: Chair Yamashita, Vice-Chair Kitagawa & Committee Members

FROM: 'Ilima DeCosta
Community Engagement Coordinator

DATE: March 1, 2023 (2:30pm)

Hawaii Health and Harm Reduction Center in is **SUPPORT** of HB 233, which would create a state Child Tax Credit for Hawai'i's working families.

The cost of living in Hawai'i is too high for working families to afford, and many of them have to move to other states in order to make ends meet. The Child Tax Credit (CTC) gives tax revenue back to families with children, so that they can pay for the childcare, education, food, and housing that their children deserve. Along with the federal CTC, 12 states have state level CTC programs that complement the highly successful federal EITC and CTC.

According to a State-by-State Analysis conducted in 2021 by the White House determined that the American Rescue Plan temporarily boosted the federal CTC amounts and lifted almost 3 million children in the U.S. above the poverty line. Expansion of the federal CTC has reportedly helped 162,000 Hawai'i families, including 272,000 children, with an average tax refund of \$2,426. Since the federal CTC expansion only lasted through the end of 2021, the credit amounts have been lowered to the level they were at in 2020.

HB 233 would create a state Child Tax Credit worth \$1000 for each child aged 0 to 5 and \$500 for each child aged 6 to 17. Studies show that the first years of a child's life are the most important for their physical and cognitive development, underscoring the need to invest in the families with young children. In order to target lower-income families, the individual's income limit for Hawai'i's CTC's would be set at \$60,000.

HHRC's mission is to reduce harm, promote health, create wellness, and fight stigma in Hawai'i and the Pacific. We work with many individuals who are impacted by poverty, housing instability, and other social determinants of health. Many have behavioral health problems, including those relating to substance use and underlying mental health conditions. Many of our clients and participants have been deeply impacted by trauma, including histories of physical, sexual, and psychological abuse.

Thank you for the opportunity to testify in support of this bill.



HAWAII WORKERS CENTER

Defending and Respecting the workers of
Hawai'i

(503) WORKERS ☎

(503) 967- 5377 📞

hawaiiworkerscenter@gmail.com ✉

hawaiiworkerscenter.org 🌐

February 28, 2023

Hawaii State House of Representatives
Committee on Finance
Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice Chair

Executive
Committee of the
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Tony Doroño

Sergio Alcubilla III,
Esq.

RE: Strong Support for H.B. 233 RELATING TO A CHILD TAX CREDIT

Dear Chair Rep. Yamashita, Vice-Chair Rep. Kitagawa, and Members of the Committee on Finance:

The Hawaii Workers Center envisions a Hawaii in which all workers are empowered to exercise their right to organize for their social, economic and political well-being. It is a resource of information, education, training and organizing for many of Hawaii's low-wage and immigrant workers.

The Hawaii Workers Center stands in strong support for H.B. 233 in the establishment of a refundable state child tax credit. This credit would be an incredible help for Hawaii's working families as the expansion of the federal child tax credit in 2021 showed in reducing child poverty. However, this expansion expired at the end of 2021.

H.B. 233 will provide a credit of \$1,000 per year for each child aged five or younger and a \$500 credit for each child aged between six and 18 years for families with adjusted gross income of \$60,000. Ideally, this credit would be payable in one payment rather than divided over 12 months.

We need this here in Hawaii more than ever as working families continue to struggle with the rising costs of raising their families here in Hawaii. Unfortunately, the costs have been too much to bear as many local families have made the hard decision to leave Hawaii for much more affordable places to live. This bill is a strong step in the right direction to help our local working families stay.

Thank you for your consideration of strongly supporting H.B. 233.

Sincerely,

Sergio J. Alcubilla
Executive Director



Hawai'i Alliance for Progressive Action (HAPA) Supports: HB233 HD1

Wednesday, March 1, 2023 2:30p.m. Conference Room 308

Aloha Chair Yamashita, Vice Chair Kitagawa and Members of the Committee,

HAPA strongly supports HB233 HD1 to establish a refundable state child tax credit payable on a monthly basis.

HB233 will establish a refundable state child tax credit payable on a monthly basis.

The federal child tax credit helps offset the costs of raising kids and is worth up to \$2,000 for each qualifying child. To get a federal child tax credit refund, a person must earn more than \$2,500.

Raising children is expensive—recent reports show that the cost of raising a child is over \$200,000 throughout the child's lifetime. The American Rescue Plan Act of 2021 increased the federal child tax credit from \$2,000 to \$3,600 for qualifying children under age six, and \$3,000 for other qualifying children under age eighteen, while allowing the credit to be distributed on a monthly basis.

The provisions of the American Rescue Plan that strengthened the child tax credit expired at the end of 2021, despite lifting millions of families and their children out of poverty. In the face of federal inaction to maintain a robust child tax credit, states have a responsibility to enact policies that assist working families with children in meeting their basic needs.

According to Census data, the federal child tax credit reduced child poverty by nearly half and according to the National Conference of State Legislatures, 12 other states have enacted this.

Please support HB233 HD1.

Thank you for your consideration.

Respectfully,

A handwritten signature in black ink, appearing to read 'Anne Frederick', is written above the typed name.

Anne Frederick
Executive Director



February 28, 2023

Representative Kyle T. Yamashita, Chair
House Committee on Finance

Re: H.B. 233, H.D. 1 RELATING TO A CHILD TAX CREDIT.

**Hearing: Wednesday, March 1, 2023, 2:30 p.m.
Conf. Rm 308 & videoconference**

Dear Chair Yamashita and Members of the Committee on Finance:

Hawaii Women Lawyers (“HWL”) **supports H.B. 233, H.D. 1**, which establishes a refundable state child tax credit payable on a monthly basis.

HWL is a lawyer’s trade organization that aims to improve the lives and careers of women in all aspects of the legal profession, influence the future of the legal profession, and enhance the status of women and promote equal opportunities for all.

Hawaii families continue to face challenges from the high cost of living in this state. Expenses for necessities, like food, housing, utilities, childcare, transportation, and healthcare, are increasingly difficult for working families to afford, especially in the face of higher prices due to inflation. A tax credit will provide some relief and make it easier for families to continue to live and work here in Hawaii, which is a benefit to the overall economy.

H.B. 233, H.D. 1 supports working families and invests in Hawaii’s children; and HWL supports this bill.

Thank you for the opportunity to submit testimony on this measure.



TITLE GUARANTY
HAWAII

February 28, 2023

Committee: House Committee on Finance
Bill Number: HB 233, HD1, Relating to a Child Tax Credit
Hearing Date & Time: March 1, 2023 at 2:30pm (Room 308)
Re: Testimony of Title Guaranty of Hawaii in support

Aloha Chair Yamashita, Vice Chair Kitagawa, and Committee Members:

Title Guaranty of Hawai'i is the oldest and largest title company in the state. We have been owned and operated by a kama'aina family since 1896 and we are proud to employ over 300 people who work in our branches all across the state.

We write in support of HB 233, Relating to a Child Tax Credit. The purpose of HB 233 is to establish a refundable child tax credit for Hawaii's working families. This bill is needed because the expansion of the *federal* child tax credit that was included as part of the American Rescue Plan Act of 2021 was allowed to expire by Congress. That is why 12 states have already implemented their own *state* child tax credit, and we support Hawaii's effort to do the same.

Writing as an employer that uses metrics to guide our own work, it is meaningful to us when we see public policies that are evidence-based and show the likelihood of a good return on investment. Because the federal government now has years of data showing the impact of the federal child tax credit, we know how well it worked; we don't have to guess if the program will be effective. We know that monthly child tax credit payments helped families keep up with rising costs and kept local businesses afloat. We know that the payments put nearly \$20 billion into local economies each month. We know that the child tax credit raised family incomes by \$444 each month for the typical family. And we know that the program has the potential to pay for itself eight times over in lifetime social and economic benefits, with families using their payments to buy goods and services that benefit small businesses.

And as an employer we think it's important to note that the child tax credit had no negative impact on employment. While some predicted that people who received child tax credit payments would leave the workforce, the data has shown that simply did not happen. U.S. Census Bureau data that tracked the payments over the course of the program showed conclusively that the payments caused *no* drop in employment. Instead, the child tax credit made it easier for more low-income parents to work and gain job skills.

Following the lead of the twelve other states that have already implemented this program (not to mention the others that are considering it is a logical step towards helping children, parents, and local businesses in Hawai'i. We support HB 233 and appreciate the opportunity to testify.

Sincerely,

Mike B. Pietsch
President and Chief Operating Officer
Title Guaranty of Hawai'i



Title and Escrow is our business. Hawaii is our home.



IATSE LOCAL 665

FILM, TELEVISION, STAGE, PROJECTION AND TRADESHOWS
Since 1937

INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES, MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS
OF THE UNITED STATES, ITS TERRITORIES AND CANADA, AFL-CIO, CLC

Thirty-Second Legislature, State of Hawai'i
House Committee on Finance

Testimony by IATSE 665
March 1st, 2023

H.B. 233 HD 1 - RELATING TO A CHILD TAX CREDIT

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the House Committee,

My name is Tuia'ana Scanlan, president of IATSE Local 665, the union representing technicians in the entertainment industry in Hawai'i. **Local 665 supports HB 233 HD 1** relating to a child tax credit.

For individual taxpayers with an adjusted gross income of \$60,000, this bill will provide a credit of \$1,000 per year for each child aged five or younger and a \$500 credit for each child aged between six and 18 years. To address child poverty, the American Rescue Plan Act of 2021 increased the federal child tax credit from \$2,000 to \$3,600 for qualifying children under the age of six and \$3,000 for other qualifying children under the age of 18. According to Census data, the federal child tax credit reduced child poverty by nearly half.

These expansions of the federal child tax credit expired at the end of 2021. Congress has not taken action to restore it. 12 other states so far have enacted a state child tax credit, according to the National Conference of State Legislatures. It is imperative for the working families of Hawai'i that we support those with the greatest need and at the most risk of falling by the wayside.

For our keiki, our 'ohana, and for the working families of Hawai'i, IATSE Local 665 asks your committee to support HB 233 HD 1. Thank you for the opportunity to testify.

In Solidarity,



Tuia'ana Scanlan
President, IATSE 665
he/him/his



**Testimony to
The House Committee on Finance**

Wednesday, March 1, 2023

2:30 AM

**Conference Room 415 & VIA Videoconference
Hawaii State Capitol**

HB 233

Chair Yamashita, Vice Chair Kitagawa, and members of the committee,

Hawai'i Gas supports HB 233, which would establish a refundable child tax credit for Hawaii's working families. This bill is needed because the expansion of the *federal* child tax credit that was included as part of the American Rescue Plan Act of 2021 was allowed to expire by Congress, sending many families back into poverty. Hawai'i now has the opportunity to fill the gap left by the federal government.

Since 1904 Hawai'i Gas has been the only franchised gas utility in the State of Hawai'i. Over the years we have installed gas pipeline infrastructure, built bulk storage facilities with access to the harbor and developed a highly skilled workforce on every major island. With our family of employees working in communities across Hawai'i, we know how important it is for people to get just a little bit of extra help to make ends meet, especially as their own families grow.

Because of the time during the COVID pandemic that the expanded federal child tax credit was in effect we have the data to know that it worked. It resulted in a sharp, historic drop in child poverty rates, less food insecurity, and more financial stability. And because of the innovation to make the refundable credits paid monthly—as is the case with HB 233—families were better able to engage in financial planning, which helped keep them from falling behind in their finances throughout the year. This, in turn, infused more money into local economies each month. This positive impact was felt by small businesses as well. Thanks to a survey conducted by Small Business for America's Future, we learned that 62% of small business owners said the flexibility and predictability of the child tax credit allowed parents to increase expenditures on things like home-and-family based childcare, which benefits small businesses that need workers with stable schedules.

In short, the expanded federal tax credit lifted millions of people out of poverty, was designed in such a way that it helped with family financial planning, pushed more money into local small businesses and local economies, and was also shown to have no negative impact on employment. In fact, many families reported using child tax credit payments for childcare, *reducing* a barrier to employment. But since the federal tax credit was allowed to expire, all these benefits have been put at risk.

Hawai'i is in a good position to eliminate that risk and provide more security to local families by passing the state child tax credit, and we urge the committee to pass HB 233.

Thank you for the opportunity to testify.



House Committee on Finance
Chair Yamashita and Vice Chair Kitagawa
Wednesday, March 1, 2023, 2:30 PM, conference room 308

Position: In Support of HB 233 HD1 – Relating to a Child Tax Credit

Dear Chair Yamashita, Vice Chair Kitagawa, and Members of the Finance Committee:

Thank you for this opportunity to testify. **Aloha United Way strongly supports bill HB233 HD1 for the child tax credit (CTC)**, and is closely in line with the ALICE policy agenda to increase upward economic mobility for households in Hawaii.

ALICE stands for Asset Limited, Income Constrained, Employed and refers to households who are employed but whose incomes are not sufficient to meet their essential costs. **The “ALICE in Hawaii 2022 Report” found that families with children disproportionately struggle to cover essential household costs, and the poverty rate is continuing to rise.** Since 2016, the poverty rate for households with children in Hawai‘i rose by 3% and further increased in 2022, fueled by a quickly rising cost of living that is driving working families from the State.

Permanent, refundable tax credits like EITC, Child Tax Credit (CTC) or child and dependent tax credit are powerful and proven tools to quickly reduce child poverty, reduce economic struggle for families, and help to slow Hawaii’s outmigration of working families.

In Hawai‘i, 162,000 families and 272,000 children benefited from expanded federal CTC during the pandemic. We saw the positive and immediate impacts an increased CTC—one that is refundable and includes monthly payments—has for lower-income families and their ability to cover essential living expenses. **Hawaii’s working families cannot wait.**

Aloha United Way and the ALICE Initiative strongly support HB233 HD1 and we ask your support to have Hawaii join the 12 states who have created CTC programs for residents so Hawaii can take advantage of this proven tool to lift thousands of local children out of poverty. **We appreciate your action and support for HB 233 HB1.**

Sincerely,

A handwritten signature in blue ink that reads "Suzanne Skjold".

Suzanne Skjold
Chief Operating Officer
Aloha United Way



**HAWAI'I COMMUNITY
FOUNDATION**

To: HOUSE COMMITTEE ON FINANCE
Representative Kyle Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair
And Members of the Committee

From: Micah Kāne, Chief Executive Officer & President - Hawai'i Community Foundation

Re: Testimony in Support of HB233 Relating to a Child Tax Credit
Wednesday, March 1, 2023, 2:30 P.M.

The Hawai'i Community Foundation (HCF) strongly supports House Bill 233 (HB233). HB233 will help support local families by establishing a refundable state child tax credit. Previous federal child tax credits been shown to reduce child poverty by nearly half, and 70% of child tax credit recipients have said that it helped them better manage higher prices caused by inflation. Additionally, households who received the credit were more likely to start learning new professional skills.

Unfortunately, the federal child tax credit expired in 2021 and has not been renewed. However, we now have the opportunity to take action to help families across the state during this unprecedented time of economic uncertainty.

Thank you for this opportunity to testify in support of HB233.

HAWAII
**HUNGER
ACTION**
NETWORK

Aloha Harvest

County of Hawai'i

Hawai'i Alliance for Community-
Based Economic Development

Hawai'i Appleseed

Hawai'i Children's Action Network

Hawai'i Food Bank

Hawai'i Good Food Alliance

Hawai'i Public Health Institute

Kōkua Kalihi Valley
Comprehensive Health Center

Lanakila Pacific

Malama Kaua'i

Maui Food Bank

House Committee on Finance
Wednesday March 1, 2023 – 2:30p.m.
In Support: H.B. 233 – Relating to a Child Tax Credit

Dear Chair Yamashita, Vice Chair Kitagawa, and members of the Committee,

Thank you for the opportunity to provide testimony in **SUPPORT** of H.B. 233, which would create a new state-level Child Tax Credit benefiting families with children.

Economic inequities drive child nutrition disparities in Hawaii.

People with higher incomes can more easily afford to meet the full range of their children's needs, from nutritious food and quality housing to medicine, transportation to the pediatrician, and healthy recreational activities, and they are more likely to live in neighborhoods with high-quality schools. Conversely, families struggling to purchase the basics not only can afford fewer of their children's needs but may experience high — even unhealthy — levels of stress as a result. Their children tend to do worse in school, earn less as adults, and have worse health outcomes overall.

Economic security programs, such as the program proposed by H.B. 233, — bolster income, help families afford basic needs, and keep thousands of Hawaii children above the poverty line — also are associated with improved health for children, families, and communities now and in the long term.

Healthy food purchases are some of the most common use of funds received from the federal Child Tax Credit.

[Longitudinal studies](#) of the federal child tax credit (CTC) program found that, nationally, among parents participating in the expansion, food and beverage purchases were the most common use of expanded CTC funds (45.9 percent), particularly in households with very low food security (63.0 percent). The CTC expansion was also associated with decreases in children's consumption of added sugar, sugar-sweetened beverages, and sweetened fruit beverages.

Hawaii's families need stronger safety nets.

Although existing federal nutrition programs (like the Supplemental Nutrition Assistance Program, or SNAP) lower the prevalence of food insecurity many families experience barriers to obtaining this food assistance, and others are not eligible despite Hawaii's high cost of living. Moreover, benefits of these ongoing programs do not often last the entire month; for example, [the majority of SNAP funds are often spent within two weeks of receipt](#). Monthly CTC payments offer the opportunity to fill critical gaps in nutrition assistance by providing additional income for food access.

Thank you for the opportunity to testify.

The Hawai'i Hunger Action Network is composed of advocates statewide dedicated to connecting communities and taking action to ensure all people in Hawai'i have enough food to live healthy, dignified, productive lives.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Child Tax Credit Payable on a Monthly Basis

BILL NUMBER: HB 233 HD 1

INTRODUCED BY: House Committee on Economic Development

EXECUTIVE SUMMARY: Establishes a refundable state child tax credit payable on a monthly basis.

SYNOPSIS: Adds a new section to chapter 235, HRS, to establish the refundable child tax credit. Provides that each qualifying individual taxpayer with an adjusted gross income of \$60,000 or less may claim a refundable child tax credit, which shall be \$1,000 per year for each child dependent aged five years or less and \$500 for each child dependent aged six years but less than eighteen years.

Provides that the credit shall be equally distributed to a qualifying individual taxpayer over twelve consecutive months.

Provides that the credit is refundable.

Provides that all claims, including amended claims, for a tax credit under this section shall be filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed; failure to do so constitutes a waiver of the right to claim the credit.

Provides that if there is a final administrative or judicial decision that the taxpayer's claim for credit was due to fraud, the taxpayer is ineligible to claim the credit for ten taxable years. If there is a final administrative or judicial decision that the taxpayer's claim for credit is disallowed for reasons other than fraud, the taxpayer is ineligible to claim the credit for three taxable years.

Defines a "qualifying individual taxpayer" as a taxpayer who: (1) files a federal income tax return for the taxable year claiming the child tax credit under section 24 of the IRC; and (2) files a Hawaii income tax return using the same filing status used on the taxpayer's federal income tax return for the taxable year and claiming the same dependents claimed on the federal income tax return for the taxable year.

EFFECTIVE DATE: June 30, 3000.

STAFF COMMENTS: The credit here proposed is a severely altered version of the child credit provided in section 24 of the IRC. Here is a comparison of some of the proposals and our comments on them.

IRC Section 24	This Bill	Comments
<p>Credit is \$2,000 per child (2018-2025 except 2021) but phases out when modified AGI exceeds the threshold amount. Threshold amount is \$150,000 for joint or surviving spouse, \$112,500 for head of household, \$75,000 for single or married filing separately.</p>	<p>Credit is \$1,000 per child age 0-5, \$500 per child age 6-18, drops to zero when AGI reaches \$60,000.</p>	<p>Should clarify the date on which the age is measured.</p> <p>Does the \$60,000 depend on filing status (single / married / head of household)? If not, it creates a marriage penalty.</p> <p>This bill creates a “tax cliff” that may cause taxpayers to engage in uneconomic behavior if close to the cliff level.</p>
<p>A \$500 nonrefundable credit is allowed for dependents other than children, for 2018-2025.</p>	<p>Credit is allowed only for qualifying children.</p>	
<p>Credit may be claimed up to the federal statute of limitations (normally 3 years).</p>	<p>Credit is waived if not claimed in 12 months after the taxable year.</p>	
<p>Complex formula determines how much of the credit is refundable.</p>	<p>The credit is refundable.</p>	
<p>Taxpayer whose claim is disallowed is barred for three years if the disallowance is due to reckless or intentional disregard of rules and regulations (not fraud).</p>	<p>Taxpayer whose claim is disallowed for any reason (other than fraud) is barred for three years.</p>	<p>Claiming the child credit is not simple. Some taxpayers may misunderstand the form or may make math errors. The federal standard seems more appropriate.</p>
<p>Under Code Sec. 7527A, IRS made monthly advance payments in July–Dec. 2021 (generally by direct deposit) equal to 50% of eligible taxpayers' 2021 CTCs. Eligibility for the advance payments was determined based on taxpayers' 2020 returns, or if these were not yet filed, their 2019 returns. An IRS online portal allowed taxpayers to update information or elect out of the advance payments.</p>	<p>“The refundable child tax credit awarded under this section shall be equally distributed to a qualifying individual taxpayer over twelve consecutive months.”</p>	<p>There is a potential for revenue loss under State bill if the taxpayer has other income and needs to pay tax on it. Revenue loss potential under federal law is less because monthly payout is based on 50% of the expected credit.</p>

The tax system is there to raise revenue to keep the government moving. Using the tax system to shape social policy merely throws the revenue raising system out of whack, making the system less than reliable as there is no way to determine how many taxpayers will avail themselves of the credit and in what amount.

Furthermore, tax credits are nothing more than the expenditure of public dollars, but out the back door. If, in fact, these dollars were subject to the appropriation process, would taxpayers be as generous about the expenditure of these funds when our kids are roasting in the public school classrooms, there isn't enough money for social service programs, or our state hospitals are on the verge of collapse, overtaxed by the pandemic?

Next, as a policy matter, lawmakers might prefer that the recipient of the refund not use the money obtained on certain things, illegal drugs for example. But the tax system contains no way of restricting the uses of a refund check; other departments do have systems in place to give some assurance that the payment will go toward legitimate living expenses such as groceries (EBT, for example). Simply put, the Department of Taxation is built to take money in, not give it out. There are other agencies better equipped to give out benefits to those needing them.

Rather than increase complexity of the system by adding credit upon credit, consideration should be given to rate relief and bracket relief. People now making money at the federal poverty line are in the *fifth* bracket from the bottom. The better solution is to get such people out of the tax system entirely. They receive peace of mind because they don't have to worry about tax returns, and the Department doesn't have to worry about processing those returns (or expend the considerable administrative costs needed to do so). If additional relief to people is considered desirable, it can be delivered through the agencies that are better equipped to do so.

Digested: 2/28/2023



March 1, 2023

Rep. Kyle Yamashita, Chair
Rep. Lisa Kitagawa, Vice Chairs
House Committee on Finance

RE: Testimony in support of HB 233, Relating to a Child Tax Credit

Dear Chair Yamashita, Vice Chair Kitagawa, and Committee Members,

On behalf of Hawaii Foodbank, I **support HB 233**, which would establish a refundable state child tax credit payable on a monthly basis.

Food security is a critical issue in Hawai'i, where our cost of living is higher than any other state. Families who depend on the food banks and our hunger relief partners struggle to make ends meet and pay a disproportionate amount of their income in taxes. Hawai'i also has the highest rate of child food insecurity – one in four keiki lack comprehensive access to healthy, nutritious food. A refundable child tax credit puts money back in the pockets of those who need it most, helping families with children provide for food and other essential needs.

The Hawai'i Foodbank gathers donated, rescued, and purchased food and distribute it to those in need through our network of more than 200 agency partners. Tax policies that allow lower income families to keep more of their hare-earned income are important to fighting hunger across our state.

Mahalo for your consideration.

With aloha,

A handwritten signature in black ink, appearing to read "Amy Miller Marvin".

Amy Miller Marvin
President and CEO, Hawaii Foodbank

HB-233-HD-1

Submitted on: 2/27/2023 7:12:00 PM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Axel Beers	Individual	Support	Written Testimony Only

Comments:

Thank you for the opportunity to testify in strong support of HB233 HD1. The purpose of the current version of this bill is to allow individual taxpayers earning less than \$60,000 to receive a refundable child tax credit. As proven by the federal refundable child tax credit, such programs are successful at lifting families and children from poverty, and assisting with regular expenses. With the lapsing of this federal program, this state stop gap can provide an essential lifeline. However, a recent Aloha United Way report found that 52% of Maui households are living below the ALICE line or the federal poverty line. That means that most of our households do not meet the basic survival budget. According to the affordable housing guidelines provided by Maui County, the median family income is about \$100,000. I support this bill, but it would be better if the benefit could be calculated so that it can benefit all households and families earning below the median income, and/or below ALICE threshold/survival budget guideline. It would also be better if there was no benefit cliff, but it were graduated so that those earning more could still receive benefits but on a sliding scale.

HB-233-HD-1

Submitted on: 2/27/2023 9:12:18 PM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Investing in the well-being of Hawai‘i’s children is essential to the creation of prosperous and sustainable future. To address child poverty, the American Rescue Plan Act of 2021 increased the federal child tax credit from \$2,000 to \$3,600 for qualifying children under age 6, and \$3,000 for other qualifying children under age 18, while allowing the credit to be distributed to qualifying taxpayers on a monthly basis.

These provisions of the American Rescue Plan strengthened the child tax credit, lifting millions of families and their children out of poverty and helping to pave the way for economic recovery. Despite this success, the expanded provisions expired at the end of 2021, plunging many families back into poverty.

In the absence of federal action to maintain a robust child tax credit, 12 other states have enacted their own child tax credits. Hawai‘i should join them in funding this important antipoverty tool, and securing a brighter future for our keiki. Please pass HB233 HD1.

HB-233-HD-1

Submitted on: 2/28/2023 6:58:00 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Gregg	Individual	Support	Written Testimony Only

Comments:

I support HB233.

HB-233-HD-1

Submitted on: 2/28/2023 7:20:13 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Keahi Kuikahi	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice-Chair Kitagawa, and members of the House Committee on Finance,

My name Keahi Kuikahi. I'm a member of IATSE Local 665, the union that represents entertainment technicians in the state of Hawai'i. I submit this testimony in support of HB233 HD1. A refundable state child tax credit will greatly benefit our community. For individual taxpayers with an adjusted gross income of \$60,000, this bill will provide a credit of \$1,000 per year for each child aged five or younger and a \$500 credit for each child aged between six and 18 years. This bill will lift many local working families out of poverty. It is imperative that we support the members of our community in this way. It's for these reasons that I support HB233 HD 1. Thank you for the opportunity to testify.

Sincerely,
Keahi Kuikahi
Member, IATSE 665

HB-233-HD-1

Submitted on: 2/28/2023 7:26:34 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Zoltan corbett	Individual	Support	Written Testimony Only

Comments:

My name is Zoltan corbett. I'm a member of IATSE Local 665, the union that represents entertainment technicians in the state of Hawai'i. I submit this testimony in support of HB233 HD1. A refundable state child tax credit will greatly benefit our community. For individual taxpayers with an adjusted gross income of \$60,000, this bill will provide a credit of \$1,000 per year for each child aged five or younger and a \$500 credit for each child aged between six and 18 years. This bill will lift many local working families out of poverty. It is imperative that we support the members of our community in this way. It's for these reasons that I support HB233 HD 1. Thank you for the opportunity to testify.

Sincerely,

Zoltan corbett

Member, IATSE 665

HB-233-HD-1

Submitted on: 2/28/2023 7:38:23 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Vishakha corbett	Individual	Support	Written Testimony Only

Comments:

Aloha all I support bill Hb233. About to time for giving child tax credit. We are one of the most expensive states. Food cost everything cost high due to shopping. This can be so helpful for families that work so hard to make ends meet. A little relief that can take care of their groceries and needs. Thank you.

vishakha corbett

HB-233-HD-1

Submitted on: 2/28/2023 7:38:29 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
brandon	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice-Chair Kitagawa, and members of the House Committee on Finance,

My name is Brandon Tapati. I'm a member of IATSE Local 665, the union that represents entertainment technicians in the state of Hawai'i. I submit this testimony in support of HB233 HD1. A refundable state child tax credit will greatly benefit our community. For individual taxpayers with an adjusted gross income of \$60,000, this bill will provide a credit of \$1,000 per year for each child aged five or younger and a \$500 credit for each child aged between six and 18 years. This bill will lift many local working families out of poverty. It is imperative that we support the members of our community in this way. It's for these reasons that I support HB233 HD 1. Thank you for the opportunity to testify.

Sincerely,

Brandon Tapati

Member, IATSE 665

HB-233-HD-1

Submitted on: 2/28/2023 7:44:23 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Jessie L Gonsalves	Individual	Support	Written Testimony Only

Comments:

I support this bill!

HB-233-HD-1

Submitted on: 2/28/2023 8:48:12 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Spelman	Individual	Support	Written Testimony Only

Comments:

Please support this bill, it is vital to Hawaii families.

HB-233-HD-1

Submitted on: 2/28/2023 9:39:10 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Karen L Worthington	Individual	Support	Written Testimony Only

Comments:

House Committee on Finance

Hearing date 3/01/2023 at 3:30pm for HB984 HD1 Relating to Firearms

Testimony IN SUPPORT of HB233 HD1

Dear Chair Yamashita, Vice Chair Kitagawa, and Committee members,

Please pass HB233 HD1, which establishes a refundable Hawai'i child tax credit. The federal child tax credit, through the American Rescue Plan, helped lift millions of children out of poverty. Those provisions expired, and many children are once again at high risk of being hungry, homeless, or going without necessities.

It is imperative that our state help keep our keiki out of poverty by passing a Hawai'i child tax credit.

Please vote yes for HB233 HD1.

Best regards,

Karen Worthington, Kula, Maui, Hawaii 96790

HB-233-HD-1

Submitted on: 2/28/2023 9:47:49 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Tane Nikora	Individual	Support	Written Testimony Only

Comments:

This Child Tax Credit proposal HB233 will help put much needed money into my familys household income and other middle income families like mine. Other progressive states have done this on the state level and I think it is a great idea.

Child Tax credits have proven to help poverty and lower income families make ends meet and provide food, shelter, clothing for our keiki who need it most. It is one way to help local families from getting priced out of paradise!

Mahalo,

Tane

HB-233-HD-1

Submitted on: 2/28/2023 10:05:26 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Ron Evans	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice-Chair Kitagawa, and members of the House Committee on Finance,

My name is Ron Evans. I'm a member of IATSE Local 665, the union that represents entertainment technicians in the state of Hawai'i. I submit this testimony in support of HB233 HD1. A refundable state child tax credit will greatly benefit our community. For individual taxpayers with an adjusted gross income of \$60,000, this bill will provide a credit of \$1,000 per year for each child aged five or younger and a \$500 credit for each child aged between six and 18 years. This bill will lift many local working families out of poverty. It is imperative that we support the members of our community in this way. It's for these reasons that I support HB233 HD 1. Thank you for the opportunity to testify.

Sincerely,

Ron Evans

Member, IATSE 665

HB-233-HD-1

Submitted on: 2/28/2023 10:06:37 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Mary K Ochs	Individual	Support	Written Testimony Only

Comments:

I strongly support this important legislation which will help many Hawai'i families who are struggling to make ends meet. Too many of our residents are leaving as they cannot afford to live in our beautiful state. This will help struggling families!

Mahalo.

Mary Ohchs

HB-233-HD-1

Submitted on: 2/28/2023 10:18:47 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello,

My name is Nanea Lo. I'm born and raised in the Hawaiian Kingdom a Kanaka Maoli.

I'm writing in SUPPORT of HB 233 because:

- For individual taxpayers with an adjusted gross income of \$60,000, this bill will provide a credit of \$1,000 per year for each child aged five or younger and a \$500 credit for each child aged between six and 18 years.
- To address child poverty, the American Rescue Plan Act of 2021 increased the federal child tax credit from \$2,000 to \$3,600 for qualifying children under the age of six and \$3,000 for other qualifying children under the age of 18.
- According to Census data, the federal child tax credit reduced child poverty by nearly half.
- These expansions of the federal child tax credit expired at the end of 2021. Congress has not taken action to restore it.
- 12 other states so far have enacted a state child tax credit, according to the National Conference of State Legislatures.

me ke aloha 'āina,

Nanea Lo, Mō'ili'ili

HB-233-HD-1

Submitted on: 2/28/2023 10:25:52 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Ernesto Alvarez	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice-Chair Kitagawa, and members of the House Committee on Finance,

My name is Ernesto Alvarez. I'm a member of IATSE Local 665, the union that represents entertainment technicians in the state of Hawai'i. I submit this testimony in support of HB233 HD1. A refundable state child tax credit will greatly benefit our community. For individual taxpayers with an adjusted gross income of \$60,000, this bill will provide a credit of \$1,000 per year for each child aged five or younger and a \$500 credit for each child aged between six and 18 years. This bill will lift many local working families out of poverty. It is imperative that we support the members of our community in this way. It's for these reasons that I support HB233 HD 1. Thank you for the opportunity to testify.

Sincerely,

Ernesto Alvarez

Member, IATSE 665

HB-233-HD-1

Submitted on: 2/28/2023 10:27:45 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Travis Hoover	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice-Chair Kitagawa, and members of the House Committee on Finance,

My name is Travis Hoover. I'm a member of IATSE Local 665, the union that represents entertainment technicians in the state of Hawai'i. I submit this testimony in support of HB233 HD1. A refundable state child tax credit will greatly benefit our community. For individual taxpayers with an adjusted gross income of \$60,000, this bill will provide a credit of \$1,000 per year for each child aged five or younger and a \$500 credit for each child aged between six and 18 years. This bill will lift many local working families out of poverty. It is imperative that we support the members of our community in this way. It's for these reasons that I support HB233 HD 1. Thank you for the opportunity to testify.

Sincerely,

Travis Hoover

Member, IATSE 665

HB-233-HD-1

Submitted on: 2/28/2023 10:28:57 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Shay Chan Hodges	Individual	Support	Written Testimony Only

Comments:

Investing in the well-being of Hawai‘i’s children is essential to the creation of prosperous and sustainable future. To address child poverty, the American Rescue Plan Act of 2021 increased the federal child tax credit from \$2,000 to \$3,600 for qualifying children under age 6, and \$3,000 for other qualifying children under age 18, while allowing the credit to be distributed to qualifying taxpayers on a monthly basis.

These provisions of the American Rescue Plan strengthened the child tax credit, lifting millions of families and their children out of poverty and helping to pave the way for economic recovery. Despite this success, the expanded provisions expired at the end of 2021, plunging many families back into poverty.

In the absence of federal action to maintain a robust child tax credit, 12 other states have enacted their own child tax credits. Hawai‘i should join them in funding this important antipoverty tool, and securing a brighter future for our keiki. Please pass HB233 HD1.

--Shay Chan Hodges

Maui, Hawaii

HB-233-HD-1

Submitted on: 2/28/2023 10:29:23 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Raimar Bylaardt II	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice-Chair Kitagawa, and members of the House Committee on Finance,

My name is RaimarBylaardt II. I'm a member of IATSE Local 665, the union that represents entertainment technicians in the state of Hawai'i. I submit this testimony in support of HB233 HD1. A refundable state child tax credit will greatly benefit our community. For individual taxpayers with an adjusted gross income of \$60,000, this bill will provide a credit of \$1,000 per year for each child aged five or younger and a \$500 credit for each child aged between six and 18 years. This bill will lift many local working families out of poverty. It is imperative that we support the members of our community in this way. It's for these reasons that I support HB233 HD 1. Thank you for the opportunity to testify.

Sincerely,

Raimar Bylaardt II

Member, IATSE 665

HB-233-HD-1

Submitted on: 2/28/2023 11:12:54 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathy Shimata	Individual	Support	Written Testimony Only

Comments:

In the absence of federal action to maintain a robust child tax credit, 12 other states have enacted their own child tax credits. Hawai‘i should join them in funding this important antipoverty tool, and securing a brighter future for our keiki. Please pass HB233 HD1.

HB-233-HD-1

Submitted on: 2/28/2023 11:31:24 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Shannon Rudolph	Individual	Support	Written Testimony Only

Comments:

Support



HAWAII APPLESEED
CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of Hawai'i Appleseed Center for Law and Economic Justice
In Support of HB 233 – Relating to a Child Tax Credit
House Committee on Finance
Wednesday, March 1, 2023, 2:30 PM, conference room 308

Dear Chair Yamashita, Vice Chair Kitagawa, and members of the Committee:

Thank you for the opportunity to provide testimony in **SUPPORT** of HB 233, which would create a new state-level Child Tax Credit benefiting families with children. The proposed credit is patterned off the federal Child Tax Credit, which has been a powerful tool for struggling working families, providing income-eligible households with children a boost to their income when they file their taxes. Note that this proposed credit is different from the Child and Dependent Care Tax Credit (CDCTC)—another effective means of helping working families—which provides a tax cut that provides a partial reimbursement of the taxpayer's qualifying care-related expenses.

Hawai'i's working families continue to struggle with the increasing cost of living, and a state Child Tax Credit (CTC) would give local families more leeway to afford basic necessities, including food, healthcare, housing, and transportation expenses. It would do this by either cutting their taxes or giving them a larger tax refund to cope with the high costs of raising a family. While the federal CTC has been in place since 1997, 12 states have implemented their own CTCs as well.

Background

The COVID-19 pandemic was disastrous for Hawai'i's working families. The unemployment rate surged to over 20% at the start of the pandemic, leaving many workers without any income to support their families. Although the federal government stepped in to provide assistance to Hawai'i, much of this assistance was temporary. As a result, the effects of the pandemic are still being acutely felt by residents with limited means.

In 2022, 29% of Hawai'i residents belonged to the Asset Limited, Income Constrained, Employed (ALICE) population, and an additional 15% were in poverty. All together, this means that 44% of Hawai'i's population struggled to make ends meet. In addition, individuals in the ALICE category are a missed payment or medical emergency away from falling into poverty. This is especially true if they have children to care and provide for.

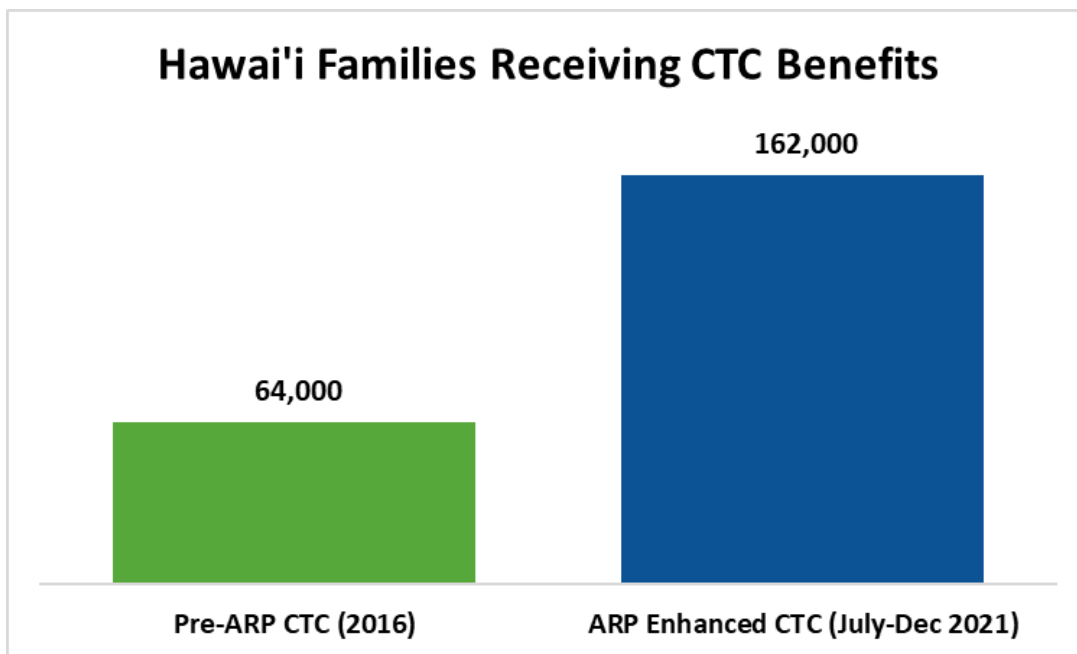
Table 1. Economic characteristics of families with children by race/ethnicity

	White Alone	Filipino Alone	Japanese Alone	Native Hawaiian and Pacific Islander Alone
Median Earnings (Male)	\$71,919	\$49,580	\$71,865	\$51,129
Median Earnings (Female)	\$62,261	\$41,131	\$58,990	\$41,723
Percentage of Population Aged 0-4	3.50%	3.80%	1.70%	7.40%
Percentage of Population Aged 5-17	10.50%	14.80%	5.00%	20.00%
Poverty Rate for Families with Related Children under 18	12.40%	7.60%	8.80%	17.60%

Due to the cost of raising children in Hawai‘i, families with children experience higher rates of poverty compared to the rest of the population. Proving this point, Hawai‘i’s Native Hawaiian and Pacific Islander families are about twice as likely to have children as white families. Almost 1/3 of the Native Hawaiian and Pacific Islander families with children are in poverty. The state Child Tax Credit for Hawaii would bring many of these families out of poverty, just as the federal CTC did when it was expanded during the federal government’s COVID-19 relief.

The Child Tax Credit

In 2021, the American Rescue Plan temporarily raised the maximum credit amounts for the federal CTC to \$3600 for children aged 0-5 and \$3000 for children aged 6-17. From July through December of 2021, the expanded federal CTC lifted a historic 2.9 million children throughout the U.S. out of poverty.



Overall, 162,000 Hawai‘i families (including 272,000 children) benefited from the expanded federal CTC, receiving an average of \$2,426.¹ Analysis shows that if this expansion had been made permanent, the child poverty rate in Hawai‘i would have declined from 9.8 percent to 5 percent.² Unfortunately, the expanded federal Child Tax Credit was phased out at the end of 2021, and the program reverted to how it was structured in 2020.

The State of Hawai‘i has the opportunity to fill the gap left by the federal CTC through the creation of a new state CTC. In the process, it would join 12 other states that have already implemented their own CTCs.

This bill creates a state Child Tax Credit valued at \$1,000 for each child aged 0 to 5 and \$500 for each child aged 6 to 17. By attaching a larger credit to young children, Hawai‘i’s CTC would support them during a critical stage of their cognitive and physical development. Furthermore, Hawai‘i’s CTC’s would be capped at incomes of \$60,000. In this way, it would target assistance towards the lower-income families that need it the most.

Thank you for your consideration of HB 233.

¹ “State-by State Analysis on American Rescue Plan: Child Tax Credit,” The White House, 2021.
<https://www.whitehouse.gov/wp-content/uploads/2022/03/Hawaii-Tax-Credit-1-pager-3.8.pdf>.

² “How a Permanent Expansion of the Child Tax Credit Could Affect Poverty,” Urban Institute, July 2021.
https://www.urban.org/sites/default/files/publication/104626/how-a-permanent-expansion-of-the-child-tax-credit-could-affect-poverty_1.pdf

HB-233-HD-1

Submitted on: 2/28/2023 11:56:40 AM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Tracen Otani	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice-Chair Kitagawa, and members of the House Committee on Finance,

My name is Tracen Otani, I'm a member of IATSE Local 665, the union that represents entertainment technicians in the state of Hawai'i. I submit this testimony in support of HB233 HD1. A refundable state child tax credit will greatly benefit our community. For individual taxpayers with an adjusted gross income of \$60,000, this bill will provide a credit of \$1,000 per year for each child aged five or younger and a \$500 credit for each child aged between six and 18 years. This bill will lift many local working families out of poverty. It is imperative that we support the members of our community in this way. It's for these reasons that I support HB233 HD 1. Thank you for the opportunity to testify.

Sincerely,

Tracen Otani

Member, IATSE 665

HB-233-HD-1

Submitted on: 2/28/2023 12:03:27 PM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Clair Mason	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and members of the Committee,

My name is Clair Mason, I am a resident of Kailua-Kona, and I am in strong support of HB233 HD1 relating to the a keiki tax credit. Our working families deserve every opportunity for financial support. HB233 could provide the extra help needed for a family to offer otherwise impossible opportunities and care for their keiki. Please pass HB233 HD1 as written to increase financial support to our working families.

Mahalo for your work and for considering my testimony.

Clair Mason

808-741-0124

To: Hawaii State House Committee on Finance
Hearing Date/Time: Wednesday, March 1, 2023, 2:30pm
Place: Hawaii State Capitol, CR 308 & Videoconference
Re: Judith Ann Armstrong is in strong support of HB 233 HD1

Dear Members of the Finance Committee,

I, Judith Ann Armstrong, am in strong support of HB233 related to a Child Tax Credit.

Investing in the well-being of Hawai'i's children is essential to the creation of prosperous and sustainable future. To address child poverty, the American Rescue Plan Act of 2021 increased the federal child tax credit from \$2,000 to \$3,600 for qualifying children under age 6, and \$3,000 for other qualifying children under age 18, while allowing the credit to be distributed to qualifying taxpayers on a monthly basis.

These provisions of the American Rescue Plan strengthened the child tax credit, lifting millions of families and their children out of poverty and helping to pave the way for economic recovery. Despite this success, the expanded provisions expired at the end of 2021, plunging many families back into poverty.

In the absence of federal action to maintain a robust child tax credit, 12 other states have enacted their own child tax credits. Hawai'i should join them in funding this important antipoverty tool and securing a brighter future for our keiki. Please pass HB233 HD1.

Thank you for this opportunity to testify in support of HB233.

Sincerely,

Judith Ann Armstrong

HB-233-HD-1

Submitted on: 2/28/2023 1:44:58 PM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Brandon Thomas	Individual	Support	Written Testimony Only

Comments:

Aloha,

Please consider approving HB233 as it will help with providing much needed relief and support to the working class and backbone of Hawaii. This will make a huge impact on local families being able to survive and make a living during challenging times. Twelve other states have made this very important decision already, and the argument can easily be made that Hawaii needs it more than most. Supporting this bill is directly supporting the core of Hawaii and ultimately supports ALL of Hawaii. Please Kokua

Mahalo

HB-233-HD-1

Submitted on: 2/28/2023 5:00:27 PM

Testimony for FIN on 3/1/2023 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Sachi Mendoza-Yamamoto	Individual	Support	Written Testimony Only

Comments:

I fully support HB233 HD1 as it will serve as an antipoverty tool for families in Hawaii who may be struggling with economic hardships owing to the high cost of living and stagnant wage compensation. Being born and raised on the island of Oahu, in a single parent household, I know that my mother would have appreciated the additional steady monthly support HB233 HD1 proposes for families with children under 18 years old. With the American *Rescue Plan Act of 2021* expired, it is imperative that the state of Hawaii take action to ensure that families and children of our precious community stay afloat and have a means to a brighter future as well. There have been 12 other states that have enacted child tax credits in the absence of the federal government's support, and it would behoove the state of Hawaii's Legislature to support this bill to provide families and children the much-needed financial support during this dire economic climate that we are currently living in. Again, please pass HB233 HD1, mahalo for your time and consideration.

Chair Kyle Yamashita
Vice Chair Lisa Kitagawa

House Committee on Finance

Wednesday, March 1, 2023
2:30PM

**TESTIMONY IN STRONG SUPPORT OF HB233 HD1 RELATING TO A CHILD
TAX CREDIT**

Aloha Chair Yamashita, Vice Chair Kitagawa, Members of the House Committee on Finance,

My name is Jun Shin. I am a recent graduate of the University of Hawai‘i at Mānoa, a son of the working class, and member of the Hawai‘i State Youth Commission. I am testifying as an individual in **STRONG SUPPORT** of **HB233 HD1**, Relating to a Child Tax Credit.

To address child poverty during the height of the COVID pandemic, the American Rescue Plan Act of 2021 increased the federal child tax credit from \$2,000 to \$3,600 for qualifying children under the age of six and \$3,000 for other qualifying children under the age of 18. 83% of Hawai‘i households who reported receiving a child tax credit payment in the last 30 days from data collected between July 21–September 27, 2021 revealed that their monthly payments were going toward basic needs (food, clothing, rent, mortgage, utilities)¹. 84% reported that the Tax Credit was going toward basic needs and/or education costs.

This helped the economy by getting money circulating, and according to Census data, the federal child tax credit reduced child poverty by nearly half. Disappointingly, the child tax credit expired at the end of 2021, and Congress has so far failed to restore it. Unfortunately, data showed us that by 2022, child poverty had increased once again². The Hawai‘i State Legislature needs to join with the other states who have decided to take the lead and enact our own state child tax credit. Please give much needed relief to working class, low-income keiki. Please **PASS House Bill 233 HD1** out of your committee.

Mahalo for the opportunity to testify,

Jun Shin,
State House District 23 | State Senate District 12
Cell: 808-255-6663
Email: junshinbusiness729@gmail.com

¹<https://www.cbpp.org/blog/9-in-10-families-with-low-incomes-are-using-child-tax-credits-to-pay-for-necessities-education>

² <https://www.povertycenter.columbia.edu/news-internal/monthly-poverty-january-2022>