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## Maine Community Action Partnership Supports LD 1544 An Act to Improve Economic Security for Maine Children by Establishing the Maine Dependent Tax Credit

## May 4, 2023

Senator Grohoski, Representative Perry, members of the Committee on Taxation, I am Megan Hannan, Executive Director of the Maine Community Action Partnership, the membership organization of the ten Community Action agencies in Maine, and we support LD 1544 *An Act to Improve Economic Security for Maine Children by Establishing the Maine Dependent Tax Credit.* 

Our state's greatest resource is our people, and our state's policies shape people's possibilities. In Community Action, we create conditions that invite children to learn and adults to apply their skills, tapping into the potential in our communities. Through our Whole Family approach, we build a family's capacity for sustained stability and economic growth. We invest in the family's well-being, we let them drive their own story, and we have tangible success.

As these families fulfill their promise and make more money, which they do, many of the necessary supports that have been there to help them to be safely housed, fed well and healthy fall out. You all know about the so-called Cliff Effect. It can be devastating to be working hard, enjoying your job and your children just to have to say "No" to a better job for fear of losing those supports. But losing that support is exactly what happened this year, as the pandemic child tax credit, which lifted 50% of families living in poverty out of poverty, was cut back.

Imagine, for a moment, what that must feel like. Today, you are able to buy the groceries you need to feed you family; tomorrow, your SNAP is cut, your monthly child tax credit check doesn't come – you and your family are left not just back where you were, but back to knowing how much you are missing. Poverty is not a personal failing, it is a failing of policy, and we are failing our most vulnerable families.

In the work that my member agencies and I do every day, we talk about the need to move upstream, to solve problems before they manifest themselves. The child tax credit is a proven, effective and cost-effective way to move upstream, to solve problems before they happen. It seems like a small amount of money, \$50 more, but for the families we are talking about, that \$50 is a huge amount. It will lift those families closer to a living, breathing, fulfilling life. Children that grow up in poverty are more likely to live in poverty their whole lives; giving those children this chance to live just a mite above poverty, for their families to afford healthy food, rent, clothes – to reduce the real and persistent stress that poverty causes – that alone is worth the small price tag. Stress of poverty is violence for children. A fully refundable child tax credit is a measure of our values and Mainers, as caring people.

Please support LD 1544 and help our children and their families out of poverty.