



April 6, 2018

The Honorable Karen E. Spilka  
Chair, Senate Ways and Means Committee  
State House, Room 212  
Boston, MA 02133

The Honorable Jeffrey Sanchez  
State House, room 243  
Boston, MA 02133

Subject: *FY2019 H2, Outside Section 28, EITC Increase*

Dear Chairwoman Spilka and Chairman Sanchez:

The Massachusetts Nonprofit Network (MNN) wishes to express our strong support for the Massachusetts' Earned Income Tax Credit (EITC) increase as included in Governor Baker's FY2019 proposed budget.

MNN is the voice of the nonprofit sector and a statewide organization that brings together all parts of the nonprofit ecosystem—nonprofits, funders, community and business leaders, and elected officials—to strengthen nonprofits and raise the sector's voice on critical issues. MNN has over 800 members, representing nonprofits in every region of the state and from all subsectors of the nonprofit world.

Outside section 28 of Governor Baker's FY2019 proposed budget would increase the state's EITC from 23% to 30%, effective on January 1, 2019. Over the past several years the Commonwealth has made great strides in improving the state's EITC, including increasing the EITC to 23% of the federal level and helping abandoned spouses and survivors of domestic abuse take advantage of this important program. We thank both of you, your colleagues in the Legislature, and the Baker Administration for your continued support of the EITC. Section 28 would build upon the progress that has been made, providing more resources and opportunities for families throughout the Commonwealth.

MNN's 2017 *Commonwealth Insights* publication examined the EITC in Massachusetts and noted that the EITC program is one of the most powerful anti-poverty programs available. The effectiveness of the EITC program is well-documented. It increases earnings and encourages employment, boosts Social Security benefits, and improves health outcomes, particularly for mothers and children. A Brookings Institute study found that in states with larger EITC match programs, children from low-income families moved further up the economic ladder throughout their lives. They also performed better in school, were more likely to attend college, and earned higher wages compared to families who did not have access to an EITC program.

**Massachusetts Nonprofit Network Testimony**  
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On behalf of MNN members and the Commonwealth's nonprofit sector, we thank you for your leadership on this issue and stand with you in support of the state's EITC. We look forward to continuing to be a resource to you and the Committee. Please do not hesitate to reach out to us with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Klocke". The signature is fluid and cursive, with the first name "Jim" written in a larger, more prominent script than the last name "Klocke".

Jim Klocke, CEO  
Massachusetts Nonprofit Network

Cc:

Governor Charlie Baker

House Speaker Robert A. DeLeo

Senate President Harriette L. Chandler

Michael J. Heffernan, Secretary of the Executive Office for Administration and Finance

Kristen Lepore, Chief of Staff to the Governor