



**Testimony Concerning HB 547
“Family Prosperity Act of 2023”
Submitted to the House Ways & Means Committee
February 16, 2023**

Position: Favorable

Maryland Family Network (MFN) supports HB 547, which would help combat child poverty by strengthening Maryland’s Child Tax Credit (CTC) and Earned Income Tax Credit (EITC). This Committee to its great credit has previously helped our State make considerable strides with these critical economic supports for families and children, and MFN urges you now to take this important next step.

MFN has worked since 1945 to improve the availability, affordability, and quality of child care, family support services, and early education. We have been active in state and federal debates on education and welfare reform and are strongly committed to ensuring that low- and moderate-income working families—and indeed, all families—have the supports they need to care for their children and to be economically self-sufficient.

Poverty has a devastating impact on families, and especially on young children. The children’s physical health, social and emotional development, school readiness, and ultimate life outcomes face severe challenges. Deep poverty—often defined as living with income at less than half the federal poverty level, or approximately \$13,900 for a family of 4—exacerbates these challenges greatly. Even a modest increase in income for these families has been demonstrated by the National Institutes of Health (among others) to result in significantly better outcomes for individuals and for society as a whole. Many Maryland families, even those who have moved from welfare to work, still live in poverty. CTC and EITC are two of the most powerful tools for alleviating poverty.

Although the target population for these tax credits is relatively narrow, the individual and social benefits are arguably broader than we can calculate.

MFN urges your favorable consideration of HB 547.

