



Joint Committee on Revenue
Boston, MA

May 19, 2020

RE: Written testimony in support of S.2659 & H.4726

Chairman Hinds, Chairman Cusack, and distinguished members of the Joint Committee on Revenue:

Thank you for the opportunity to submit testimony on behalf of the Healthy Families EITC Coalition, a statewide nonpartisan network of advocates, working to improve the health and well-being of Massachusetts children and families through an increase in the state Earned Income Tax Credit (EITC) and supporting free tax preparation sites. Our 30-plus member coalition convened by Children's HealthWatch at Boston Medical Center and is comprised of a diverse array of community-based agencies, legal advocates, professional associations, civil rights organizations, and most importantly – Massachusetts workers and their families. We write today in strong support of S.2659 & H.4726: "An Act to Provide Equal Stimulus Checks to Immigrant Taxpayers."

The Healthy Families EITC Coalition strongly supports direct cash payments to families because, similar to the impact of EITC, they reduce the financial burden low- and moderate-income families face while simultaneously stimulating the economy. Research demonstrates that in emergencies, cash transfers – such as the ones designated in S.2659 & H.4726 – are a rapid and cost-effective strategy to provide basic needs.¹ In the long term, cash transfers offer a means for families to recover after the crisis, and protection from future shocks. However, aligned with our advocacy surrounding EITC, we know it is critical that **all** families are able to access this benefit in order to have the greatest impact.

While the Federal CARES Act provided critical support in the form of rebates to taxpayers who have Social Security Numbers, it excluded those families in which any family member lacks a Social Security Number. This exclusion harms mixed-status families, including families with U.S. citizen children, many of whom have filed tax returns using an ITIN (Individual Taxpayer Identification Number) rather than a Social Security Number, as well as families composed of two ITIN filers. S.2659 & H.4726 would rectify this injustice by authorizing the Commonwealth to provide an equivalent rebate to these excluded taxpayers. The Massachusetts Budget and Policy Center estimates that there are approximately 57,000 people in ITIN taxpayer households in the state, many of whom would be newly eligible for stimulus payments under S.2659 & H.4726. Swift distribution of these cash payments will provide essential assistance to families and individuals that are struggling in the wake of COVID-19 and mitigate financial circumstances that may threaten families' ability to access basic needs necessary for their health and well-being.

Immigrant families are an integral part of our community and economy. However, they have faced a disproportionate health and financial impact of COVID-19, compounded by their exclusion from many existing federal programs and recent relief initiatives, including federal stimulus payments. Immigrant workers are over-represented in many frontline occupations – including health care, essential retail and wholesale, manufacturing, agriculture, and transportation² – and are thus more exposed to risk during

these times. Conversely, unemployment data shows disproportionate increases among immigrant workers as they represent a significant proportion of the service and other industries that have been hardest hit by closures resulting from the COVID-19 crisis.³ These families, many of whom are also ineligible for Unemployment Insurance, have filed tax returns using an ITIN and have paid the same share of income taxes as those with Social Security Numbers. They deserve the same assistance.

Research consistently demonstrates that when families cannot afford basic needs, they experience significant hardships (such as food insecurity, housing instability, and energy insecurity) that have lasting adverse health and economic impacts across the life course.^{4,5,6,7} For those living in poverty, particularly children, this condition often persists over time as it is even more difficult for them to escape poor conditions and achieve economic mobility.⁸ While we have to prioritize slowing the spread of COVID-19, we also need to recognize the dire financial, health, hunger, and housing impact these containment measures are having on our neighbors and respond immediately and equitably to those needs.

ITIN filers pay taxes, contribute to our economy, and in many cases are fighting on the frontlines of the COVID-19 crisis. It is imperative that the state protect the health and well-being of these families by providing the same relief that is available to those with Social Security Numbers. **S.2659 & H.4726 would address this need and offer critical and equitable support to those who require it most.** The distribution of these “recovery rebates” to immigrant workers and entrepreneurs, including those without Social Security Numbers, would, like payments to other taxpayers, benefit the Massachusetts economy as a whole.

We believe there is an urgent need to respond to the immediate and disproportionate threat of COVID-19 among immigrant families. By ensuring ITIN filers are able to access a stimulus payment, we have an opportunity to improve the health, well-being, and economic mobility of families with children across the Commonwealth. We urge the Committee to swiftly and favorably report S.2659 & H.4726 out of committee.

Sincerely,

The Healthy Families EITC Coalition

Action for Boston Community Development
Boston Children’s Hospital
Boston Public Health Commission
Boston Tax Help Coalition
Children’s HealthWatch
Coalition for Social Justice – Raise Up
Massachusetts
Democrats for Education Reform
EMPath
Greater Boston Legal Services
Greater Lawrence Family Health Center
Groundwork Lawrence
Homes for Families
Immigrant Worker Center Collaborative
Jane Doe, Inc.
Jewish Community Relations Council

Jewish Vocational Service
Massachusetts Alliance of YMCA’s
Metropolitan Area Planning Council
Massachusetts Association for Community
Action
Massachusetts Association of Community
Development Corporations
Massachusetts Budget and Policy Center
Massachusetts Immigrant and Refugee
Advocacy Coalition
Massachusetts Law Reform Institute
Massachusetts Nonprofit Network
Massachusetts Public Health Association
NAACP, New England Area Conference
New England Jewish Labor Committee
One Family, Inc.
Scholars Strategy Network

Springfield VITA
StreetCred
United for Justice

United Way of Massachusetts Bay and
Merrimack Valley
Witnesses to Hunger

¹ Datta S, Jean-Francois J, Martin J, Perez M. How to maximize the impact of cash transfers, during and after COVID-19. *World Politics Review*. 2020.

² Migration Policy Institute (MPI) tabulations of the U.S. Census Bureau's 2018 American Community Survey (ACS).

³ Gelatt J. Immigrant workers: vital to the U.S. COVID-19 response, disproportionately vulnerable. Migration Policy Institute Website. <https://www.migrationpolicy.org/research/immigrant-workers-us-covid-19-response>. Published March 2020.

⁴ Rose-Jacobs R, Black MM, Casey PH, et al. Household food insecurity: Associations with at-risk infant and toddler development. *Pediatrics*, 2008;121(1):65-72

⁵ Shankar P, Chung R, Frank DA. Association of food insecurity with children's behavioral, emotional, and academic outcomes: A systematic review. *J Dev Behav Pediatr*.2017;38:135-150.

⁶ Cook J, Frank DA, Casey PH, Rose-Jacobs R, Black MM, Chilton M, et al. A brief indicator of household energy insecurity: Associations with food security, child health, and development in US infants and toddlers. *Pediatrics*. 2008;122(4):e867-75.

⁷ Sandel M, Sheward R, Ettinger de Cuba S, Coleman SM, Frank DA, Chilton M, Black M, Heeren T, Pasuqariello J, Casey P, Ochoa E, Cutts DB. Unstable housing with caregiver and child health in renter families. *Pediatrics*. 2018; 141(2).

⁸ Magnuson KA, Votruba-Drzal E. Enduring influences of childhood poverty. University of Wisconsin-Madison, Institute for Research on Poverty. 2008. Available at

<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.217.5778&rep=rep1&type=pdf>