Catholic Advocacy Day 2021 Policy Brief



Economic Justice, Racial Equity, and COVID-19 Impact

In a society marred by deepening disparities between rich and poor, Sacred Scripture gives us the story of the Last Judgement (see Mt 25:31-46) and reminds us that we will be judged by our response to the "least among us."

Improving the Earned Income Tax Credit and child tax credits, available as refunds to families in greatest need, will help lift low-income families out of poverty.

It is important for our society to continue to combat any unjust discrimination, whether based on race, religion, sex, ethnicity, disabling condition, or age, as these are grave injustices and affronts to human dignity. Where the effects of discrimination persist, society has the obligation to take positive steps to overcome the legacy of injustice . . ."

- Forming Consciences for Faithful Citizenship, US Conference of Catholic Bishops, 2020

Black, Indigenous and People of Color (BIPOC) and low-income families experienced disproportionately worse economic effects from the Great Recession of 2007-2009. These effects lingered far beyond the dates of the actual recession and were exacerbated by a decrease in government assistance and programs that also ensued. Today we once again see BIPOC communities and low-income individuals and families being disproportionately negatively impacted by COVID-19. This year is particularly important to advocate for policies that will have help those who are disproportionately experiencing the negative economic effects of COVID-19. Such advocacy addresses both economic justice and racial equity.

Working Families Tax Exemption: House Bill 1297 (HB 1297)

Also commonly known as the **Working Families Tax Credit** or the **Recovery Rebate**, the **Working Families Tax Exemption (WFTE)** of House Bill 1297 (HB 1297) will assist low-income, working individuals and families, including tax-paying immigrants. The WFTE was enacted in 2008 but has never been funded in the state operating budget. The WFTE is akin to the federal Earned Income Tax Credit (EITC). The HB 1297 tax credit seeks to address Washington's regressive tax system, which causes low-income Washingtonians to pay six times more in taxes as a percentage of their household income in comparison to wealthier residents. The Working Families Tax Credit would reach 500,000 households, including one in four children; have an outsized impact on BIPOC communities; and would provide a base credit of \$500 to \$900.

HB 1297 was passed by the House and is currently in the Senate.

ACTION: Ask your senator to support the Working Families Tax Exemption, which will help communities of color and low-income families and individuals who are disproportionately impacted by the economic impacts of COVID-19.

HB 1297 is sponsored by Representatives Thai (41), Stokesbary (31), Ramel (40), Ryu (32),

Robertson (31), Leavitt (28), Bateman (22), Fitzgibbon (34), Shewmake (42), Chapman (24), Johnson,J. (30), Senn (41), Frame (36), Riccelli (3), Chopp (43), Wylie (49), Wicks (38), Simmons (23), Boehnke (8), Berry (36), Davis (32), Tharinger (24), Walsh (19), Eslick (39), Goodman (45), Peterson (21), Santos (37), Valdez (46), Cody (34), Chambers (25), Kloba (1), Ramos (5), Kirby (29), Bronoske (28), Gregerson (33), Macri (43), Callan (5), Paul (10), Sells (38), Bergquist (11), Ormsby (3), Pollet (46), Slatter (48), Stonier (49), Taylor (30), Harris-Talley (37). Legislative meetings are an opportunity to thank them for their support.

Bolstering Economic Recovery: <u>House Bill 1151</u> (HB 1151)

House Bill 1151 (HB 1151) aims to bolster economic recovery by providing assistance to families in need. A key tenet of HB 1151 requires the Department of Social and Health Services to **update standards of need for cash assistance programs**. Current standards are based on a 1991 study of living costs and do not accurately capture current need. HB 1151 calls for cell phone, internet, and out-of-pocket costs for child care and health care to be added to living costs standards. Updating standards will have multiplying effects in getting assistance to more qualifying families and individuals. Additional provisions of HB 1151 include:

- a one-time cash benefit,
- transitional food assistance, and
- permitting Consolidated Emergency Assistance to be provided more than once in a 12-month period when directed by the governor. Consolidated Emergency Assistance provides emergency cash assistance to qualifying families and children.

HB 1151 was passed by the House and is now in the Senate.

ACTION: Ask your senator to support HB 1151 to get assistance to those in need.

HB 1151 is sponsored by Representatives <u>Leavitt</u> (28), <u>Shewmake</u> (42), <u>Peterson</u> (21), <u>Bronoske</u> (28), <u>Entenman</u> (47), <u>Stonier</u> (49), <u>Bateman</u> (22), <u>Chopp</u> (43), <u>Frame</u> (36), <u>Hackney</u> (11), <u>Callan</u> (5), <u>Pollet</u> (46), <u>Gregerson</u> (33), <u>Senn</u> (41), <u>Johnson</u>, <u>J.</u> (30) Legislative meetings are an opportunity to thank these senators for their support.