Mr. Chairman and Members of the Committee,

Thank you for the opportunity to testify. I am Fr. Fred Kammer, SJ, Director of the Jesuit Social Research Institute of Loyola University New Orleans. One focus of our Institute is on poverty in the Gulf South. I Speak in favor of HB 70, which would increase the Louisiana Earned Income Tax Credit from 3.5% to 7% of the Federal EITC.

Since 2007, the Louisiana EITC has been a bipartisan policy that helps working families meet their basic needs while strengthening local economies and increasing tax fairness. The EITC makes work pay by offsetting federal and state income taxes for working families. This bill would raise the state percentage of the Federal EITC from 3.5%--- the lowest in the nation--- to 7%. The national average for state EITC is 16% of the Federal EITC.

In 2012, 491,390 Louisiana working families--- 28.6% of all tax filers--- received the EITC, including 24,000 veteran and armed forces families. The dollar value to each family from the Federal EITC was $2,685 and the state value was only $94. However, the Louisiana EITC generated a net economic benefit to the state of $23.1 million; and the Federal and Louisiana EITC together annually lift 142,000 Louisiana out of poverty, including 82,000 children.

From the viewpoint of Catholic teaching, the EITC does three important things: first, it rewards work and family life, helping families grow and thrive; second, it contributes to workers’ ability to make a family wage--- a principle of our Church for at least 120 years; and, third, it reduces the tax burden on poor families and thus promotes a more just and equitable tax system.

Thank you very much.