



*Contra Costa's Family Economic Security Partnership (FESP)*

c/o 1485 Civic Court • Concord, CA 94520 • (925) 771 7331

May 19, 2017

Governor Jerry Brown  
State Capitol  
Sacramento, CA 95814

**RE: Strengthening, Expanding, and Promoting the CalEITC - SUPPORT**

Dear Governor Brown:

I am writing to you on behalf of the Family Economic Security Partnership (FESP), a public, private and nonprofit collaboration of over 40 organizations dedicated to increasing the income and building the assets of low-income families and individuals living in Contra Costa County. Our goal is to create a countywide vision and strategies to better leverage community resources and enhance community collaboration in order to increase the economic security of low-income families and individuals.

As Chair of FESP, I am writing to express FESP's **support for the California EITC**, one of the most effective anti-poverty strategies to help low income families gain financial stability. In the first year of its existence, 815,000 low-income Californians benefited from this important state tax credit.

There is evidence to suggest that the CalEITC was underutilized in its first year in part because many families are not required to file state income taxes due to their very low incomes. However, these are exactly the families that could benefit the most! Your proposed 2017-18 budget does not include any funding to maintain or expand outreach efforts to reach non-filers. Only one-quarter of tax filers who claimed the CalEITC in tax year 2016 had also claimed it in tax year 2015, indicating that there is significant "churn" in the population that is eligible for the credit. This makes a strong case for California to maintain, and ideally expand, efforts to promote the credit in order to reach newly eligible workers each year.

We are writing to encourage you to: a) expand the CalEITC to include all households currently eligible for the federal EITC by increasing the income eligibility threshold and include earnings from self-employment; b) include funds in the budget to continue and expand outreach; and c) expand the credit itself so that it truly can benefit those most in need.

Sincerely,

Sean Casey, Chair, Family Economic Security Partnership

cc: Assembly Members Phil Ting and Holly Mitchell