



February 7, 2015

State Capitol, Room 5097
Sacramento, CA 95814
Phone: (916) 651-4025

**RE: SB-38, Earned Income Tax Credit
AAP-CA Position on SB 38: Support**

Dear Senator Liu,

The American Academy of Pediatrics, California, representing the 5,000 board-certified pediatrician members of all four California AAP regional chapters statewide (Ch 1 – Northern California, Ch 2 – Greater Los Angeles, Ch 3 – San Diego, and Ch 4 – Orange County), strongly supports proposed legislation SB 38 (Liu). This bill seeks to establish an earned income tax credit against the California state income tax for working families who earn low incomes or who live below the poverty line.

High quality research has demonstrated that poverty is a significant negative factor in a child's health and development; children who live in poverty have higher rates of infant mortality, developmental delays, asthma, obesity, poor nutrition, and child abuse and neglect. Additionally, children who are raised in poverty carry many of these negative health risks into their teenage years and into adulthood. On top of that, many poor families have difficulty accessing health care and other community resources that could potentially help them deal with these health problems early on.

The AAP is developing a strategic plan to better equip pediatricians to address poverty within their practices and better help their poor families with health care needs; but additionally, the Academy is supporting policies and practices at the national, state, and local levels that help lift families out of poverty.

We believe that SB-38 is a state policy that can help lift many working California families out of poverty and thereby support the health of their children. According to the Center on Budget and Policy Priorities (CBPP), in 2013 the Federal Earned Income Tax Credit lifted about 6.2 million people out of poverty, including 3.2 million children. Additionally, the credit reduced the severity of poverty for another 21.6 million people, including 7.8 million children. The same principle applies to the State level credit, as proposed in SB-38. Its passage would allow California to join 26 other states, including the District of Columbia, in supplementing the Federal Earned Income Tax Credit (EITC) with its own state credit and could provide additional aid to these poor working families.

Thank you for your work and for sponsoring SB-38, a bill that could help alleviate the burden of poverty on many of California's poor children.

Sincerely,

A handwritten signature in black ink, starting with a stylized 'P' and ending with a long horizontal line.

Peter W Guyon Jr, MD
Resident

A handwritten signature in black ink, starting with a stylized 'N' and ending with a long horizontal line. The signature is enclosed in a thin vertical rectangular border.

Advocate Nancy Graff, MD
FAAP