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ICYMI: 10 U.S. Governors Champion State Tax Credit Programs During State of the State Remarks

Republican and Democratic Governors Join President Biden in Touting Tax Credit Victories and Some Go Further by Calling for Expansion of Direct Cash Benefit Programs Impacting Families

Washington, DC – In the weeks leading up to the State of the Union, governors throughout the United States began outlining their administration's policy priorities for the coming year, state-level tax credits for families and children remains top of mind for policymakers and constituents alike. During their annual State of the State addresses, a bipartisan group of governors from ten states – including Arizona, Colorado, Hawaii, Maryland, Michigan, Montana, New Mexico, Rhode Island, Utah, and Washington State – have lauded state-level direct cash programs as extraordinary successes for families, with some going further by advocating for the expansion of policies like state Child Tax Credits and Earned Income Tax Credits in forthcoming state legislative sessions.

President Joe Biden – in his recent State of the Union remarks – echoed many of the sentiments shared by the governors when he reiterated his support for cash benefit policies at the federal level and called for the reinstatement of the expanded, monthly Child Tax Credit. "Let's restore the full Child Tax Credit," said President Biden, "which gave tens of millions of parents some breathing room and cut child poverty in half, to the lowest level in history" (Link to Remarks).

"Congress dropped the ball last year when they failed to make expansions to the federal Child Tax Credit permanent, but states are picking it up and running with it," said **Pedro Morillas, Director of State**Campaigns at Economic Security Project. "Governors from across the political spectrum clearly recognize the power of cash, and are prioritizing state tax credits like the EITC and CTC because of how transformative they can be for freedom, stability and financial well-being of families."

Prior to President Biden's State of the Union Address, the following governors made their voices clear during their State of the State remarks:

- Arizona Governor Katie Hobbs: "My budget sets aside \$50 million for a state-level, child tax credit
 for families earning less than \$40,000 a year to help pay for the rising costs of basic necessities for
 their children." (Link to Transcript)
- Colorado Governor Jared Polis: "[We're building] on the work of the legislature to expand the Earned Income Tax Credit and Colorado's Child Tax Credit, putting more money back into the pockets of Coloradans." (Link to Transcript)
- Hawaii Governor Josh Green: "In addition, the Green Affordability Plan intentionally rewards our families, caretakers, and educators by: Expanding the Earned Income Tax Credit from 20% to 30% of the federal amount. We'll also take bold action to expand the Child and Dependent Care Tax Credit. Under our proposal, working families paying for daycare, babysitters, summer camps, after school care, and adult daycare will be eligible for up to \$10,000 of support from the state." (Link to Transcript)
- Maryland Governor Wes Moore: "There is no partisanship when it comes to a child in need, so let's
 not allow us to fall into our traditional corners on the issue. Permanently extending the enhanced
 Earned Income Tax Credit and expanding the Child Tax Credit is how we begin. This push will make
 nearly 40,000 families eligible for one of the most successful child poverty tools this country has
 ever seen." (Link to Transcript)
- Michigan Governor Gretchen Whitmer: "The Working Families Tax Credit, formerly known as the
 EITC, is a bipartisan tax break at the federal and state level. Boosting it delivers an average refund of
 at least \$3,000 to 700,000 families. As we work together to build a brighter future, we need to lower
 costs and support every kind of family: those who have kids and those who do not." (Link to
 Transcript)
- Minnesota Governor Tim Walz: [quote, proposing \$1,000 refundable child tax credit. Walz's \$12B,
 4-vear education budget includes tax credits | AP News
- Montana Governor Greg Gianforte: "Our kids, and Montana's future, depend on strong families, and we must help them prosper. To support them, we're proposing a \$1,200 child tax credit for kids under 6....To get more children into permanent, loving homes, we're proposing an adoption tax credit of \$5,000. And if you adopt a kid in our foster care system, we'll bump that credit to \$7,500." (Link to

Transcript)

- New Mexico Governor Michelle Lujan Grisham: "In my budget priorities, I am asking for \$1 billion in economic relief including rebates of \$750 to each individual taxpayer or \$1,500 to couples filing jointly to help more New Mexicans afford the things they need right now." (Link to Transcript)
- Rhode Island Governor Dan McKee: "Let's not forget with one of the largest surpluses in the
 history of our state we provided over \$120 million in tax relief to Rhode Islanders [...] As part of that
 relief, 110,000 child tax rebate checks went out to parents." (Link to Transcript)
- **Utah Governor Spencer Cox:** "If Utah truly believes in supporting life, we must always show our commitment with more than words. That's why I am also proposing this session a first-of-its-kind tax credit for all children." (Link to Transcript)
- Washington Governor Jay Inslee: "Two years ago, we passed a Working Families Tax Credit that starts next month. This credit will put as much as \$1,200 into the hands of more than 400,000 Washington families." (Link to Transcript)

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