From: <u>Catherine Roberts</u>
To: <u>HOU Testimony</u>

Subject: SB 2856--Relating to Taxation

Date: Wednesday, January 31, 2018 3:28:18 PM

TO: Senate Committee on Housing

HEARING: Thursday, February 1, 2018 at 2:55 p.m.

PLACE: Conference Room 225 FROM: Catherine Roberts

RE: SB 2856--Relating to Taxation ATTENDING HEARING: No

Dear Chair Espero, Vice Chair Harimoto, and members of the Committee:

Thank you for the opportunity to testify in support of SB 2856, which would help many struggling families in Hawai'i by improving the Low-Income Household Renters' Credit.

Hawai'i's Low-Income Household Renters' Credit was created to help make up for the high rents and tax rates that burden our low- and moderate-income neighbors. The amount of the Renters' Credit was last set over 35 years ago, in 1981, at \$50 per exemption. The income eligibility cut- off was set in 1989 at \$30,000, which was just above the median household income at that time. Neither of those levels have budged since then.

We desperately need to alleviate the tax burden on renter families struggling to afford housing. Simply bringing the Renters' Credit up-to-date will benefit over 80,000 households, as well as put much-needed dollars into the pockets of Hawaii's low- and moderate-income families. Please pass SB 2856. Thank you for your consideration of this important bill.

From: Andrea Brower
To: HOU Testimony

Subject: SB 2856, Relating to Low-Income Renters

Date: Wednesday, January 31, 2018 2:31:45 PM

TO: Senate Committee on Housing

HEARING: Thursday, February 1, 2018 at 2:55 p.m.

PLACE: Conference Room 225

FROM: Andrea Brower

RE: SB 2856--Relating to Taxation ATTENDING HEARING: No

Dear Chair Espero, Vice Chair Harimoto, and members of the Committee:

Thank you for accepting this testimony in strong support of SB 2856.

From: Seena Clowser
To: HOU Testimony

Subject: SB 2856--Relating to Taxation

Date: Wednesday, January 31, 2018 1:16:24 PM

TO: Senate Committee on Housing

HEARING: Thursday, February 1, 2018 at 2:55 p.m.

PLACE: Conference Room 225

FROM: Seena Clowser

RE: SB 2856--Relating to Taxation ATTENDING HEARING: No

Dear Chair Espero, Vice Chair Harimoto, and members of the Committee:

We know that providing rent credits to working households puts money directly into the local economy because working families are exactly the people who need to spend money on basic supplies and services. Also raising the renters' credit is the fair thing to do by hard pressed renters. Please pass SB 2856.

Thank you for the opportunity to testify in support of SB 2856, which would help many struggling families in Hawai'i by improving the Low-Income Household Renters' Credit.

Hawai'i's Low-Income Household Renters' Credit was created to help make up for the high rents and tax rates that burden our low- and moderate-income neighbors. The amount of the Renters' Credit was last set over 35 years ago, in 1981, at \$50 per exemption. The income eligibility cut- off was set in 1989 at \$30,000, which was just above the median household income at that time. Neither of those levels have budged since then.

We desperately need to alleviate the tax burden on renter families struggling to afford housing. Simply bringing the Renters' Credit up-to-date will benefit over 80,000 households, as well as put much-needed dollars into the pockets of Hawaii's low- and moderate-income families. Please pass SB 2856. Thank you for your consideration of this important bill.

From: Donald Erway Erway
To: HOU Testimony

Subject: SB 2856--Relating to Taxation

Date: Tuesday, January 30, 2018 7:22:36 PM

TO: Senate Committee on Housing

HEARING: Thursday, February 1, 2018 at 2:55 p.m.

PLACE: Conference Room 225 FROM: Donald Erway Erway RE: SB 2856--Relating to Taxation ATTENDING HEARING: No

Dear Chair Espero, Vice Chair Harimoto, and members of the Committee:

Thank you for the opportunity to testify in support of SB 2856, which would help many struggling families in Hawai'i by improving the Low-Income Household Renters' Credit.

Hawai'i's Low-Income Household Renters' Credit was created to help make up for the high rents and tax rates that burden our low- and moderate-income neighbors. The amount of the Renters' Credit was last set over 35 years ago, in 1981, at \$50 per exemption. The income eligibility cut- off was set in 1989 at \$30,000, which was just above the median household income at that time. Neither of those levels have budged since then.

We desperately need to alleviate the tax burden on renter families struggling to afford housing. Simply bringing the Renters' Credit up-to-date will benefit over 80,000 households, as well as put much-needed dollars into the pockets of Hawaii's low- and moderate-income families. Please pass SB 2856. Thank you for your consideration of this important bill.

From: <u>Dan Gardner</u>
To: <u>HOU Testimony</u>

Subject: SB 2856--Relating to Taxation

Date: Tuesday, January 30, 2018 5:08:37 PM

TO: Senate Committee on Housing

HEARING: Thursday, February 1, 2018 at 2:55 p.m.

PLACE: Conference Room 225

FROM: Dan Gardner

RE: SB 2856--Relating to Taxation ATTENDING HEARING: No

Dear Chair Espero, Vice Chair Harimoto, and members of the Committee:

Thank you for the opportunity to testify in support of SB 2856. This Important credit for low-income households has not been updated for 37 years. The value of the \$50 credit has been eroded by inflation and rent increases to the point that it's not much more than a pat on the back. Please pass SB 2856 and make this credit meaningful to those whose need qualifies them for help with their monthly rent. Thank you for your consideration of this important bill.

From: <u>laurel Brier</u>
To: <u>HOU Testimony</u>

Subject: SB 2856--Relating to Taxation - in support of Date: Tuesday, January 30, 2018 1:28:48 PM

TO: Senate Committee on Housing

HEARING: Thursday, February 1, 2018 at 2:55 p.m.

PLACE: Conference Room 225

FROM: laurel Brier

RE: SB 2856--Relating to Taxation ATTENDING HEARING: No

Dear Chair Espero, Vice Chair Harimoto, and members of the Committee:

As a vocational counselor for the State of Hawaii for the past 35 years I work with many low income people. Working people who can no longer afford rents. Disabled people who are homeless despite having jobs. We must address the vast economic inequalities in our community which erodes our democracy. This bill is a step in the right direction.



<u>SB-2856</u> Submitted on: 1/31/2018 6:45:28 PM

Testimony for HOU on 2/1/2018 2:55:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Debra Koonohiokala Norenberg		Support	No

Comments:



WOMEN'S CAUCUS DEMOCRATIC PARTY OF HAWAI'I

February 1, 2018

To: Senator Will Espero, Chair

Senator Breene Harimoto, Vice Chair and Members of the Committee on Housing

From: Jeanne Y. Ohta, Co-Chair

RE: SB 2856 Relating to Taxation

Hearing: Thursday, February 1, 2018, 2:55 p.m., Room 225

POSITION: Strong Support

The Hawai'i State Democratic Women's Caucus writes in STRONG SUPPORT of SB 2856, which would help many economically struggling families in Hawai'i by improving Low-Income Household Renters' Credit, which has not been updated to account for inflation since the 1980s.

SB 2856 updates the Renters' Credit to recover ground lost to inflation by increasing both the maximum value of the credit and the income eligibility limits. It raises the maximum value of the Renters' Credit to \$150 per exemption, and the eligibility threshold to just above the median, up to \$75,000 in annual income for joint filers. It also restructures the credit to phase out as earners move up the income scale, as well as to account for different tax-filing statuses. Finally, it pegs the amount of the credit to inflation, to avoid future erosion of its value.

A full-time worker in Hawai'i needs to make \$35.20 per hour (or over \$73,000 per year) to afford a 2-bedroom apartment, the highest "housing wage" in the nation. Hawai'i also has the largest gap between the average renter's wage and the housing wage, a shortfall of \$19.56 per hour.

More than half of our state's renters spend more than 30% of their income on rent. Of critical concern is that three-quarters of Hawai'i residents living at or near the poverty-line spend more than 50% of their incomes on rent.

Hawai'i's Low-Income Household Renters' Credit was created 40 years ago to help make up for the high rents and tax rates that burden our low- and moderate-income neighbors. However, it has not been updated in nearly three decades.

The current credit was last set over 35 years ago, in 1981, at \$50 per exemption. The income eligibility cut- off was set in 1989 at \$30,000, which was just above the median household income at that time. Neither of those levels have been adjusted for inflation since then.



Simply bringing the Renters' Credit up-to-date will benefit over 80,000 households, as well as put much-needed dollars into the pockets of Hawaii's low- and moderate-income families.

The Hawai'i State Democratic Women's Caucus is a catalyst for progressive, social, economic, and political change through action on critical issues facing Hawaii's women and girls.

We ask that the committee pass this measure and thank the committee for the opportunity to provide testimony.