

SUBCOMMITTEE RECOMMENDATION

HB 4157

Relating to relief payments to low-income households

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| To: | Ways and Means Full Committee |
| From: | General Government Subcommittee |
| Carrier: | Representative Smith |

HB 4157 directs the Department of Revenue to establish and administer a program for one-time \$600 payments to low-income households with members who worked during the first year of the COVID-19 pandemic.

Only taxpayers who qualified for and claimed the earned income tax credit on their 2020 personal income tax returns are eligible to receive these payments, which must be made by July 31, 2022. DOR estimates that 245,000 taxpayers will be eligible. Funding for these payments comes from State Fiscal Recovery Fund program, a part of the American Rescue Plan Act.

The estimated fiscal impact for the 2021-23 biennium is \$147 million Other Funds for the payments made by DOR and \$479,713 General Fund for DOR's administration of the program. These costs are reflected in the -3 amendment, along with language reducing the payments to one per household. A Federal Funds expenditure limitation increase of \$147 million will be included in the omnibus budget bill for the Department of Administrative Services to pass funds through to DOR.

The General Government Subcommittee recommends HB 4157 be amended by the -3 amendment and be reported out do pass, as amended.