



JOHN A. KITZHABER, MD
Governor

June 20, 2013

To: Members of the Joint Tax Committee

As the legislative session edges towards the finish, we want to reiterate our support for an expansion of Oregon's Earned Income Tax Credit (EITC).

The EITC provides much needed help for low-income working families in Oregon. By allowing low-income workers to keep more of their wages, they can better meet their own basic needs such as housing, transportation, and food.

The EITC not only benefits families but local economies as well. Every Oregon legislative district has residents who receive the EITC. On average, each senate district in Oregon had 8,873 households receiving the federal EITC in 2010. Those returns brought an average of \$17.3 million into each district. These dollars are spent in communities across the state. Furthermore, the EITC encourages work and boosts school achievement for low-income students, leading to a more skilled workforce.

And, in a report released last year in the Sociological Review, a long-term study linked families accessing the EITC with improved infant health and well-being, leading to reduced negative outcomes later in life.

This great recession has taken a mighty toll on our families here in Oregon and many have taken lower paying jobs because of the recession. The success of our new initiatives in health and education will depend on stable families having the resources to move forward up and out of poverty. The EITC is a very important avenue and we urge you to expand the EITC to at least 8% of the federal credit this session.

Sincerely,

John A. Kitzhaber, M.D.
Governor

Cylvia Hayes
First Lady

JAK/CH:mr

Cc: Senate President Peter Courtney
Speaker of the House Tina Kotek
Senator Richard Devlin
Representative Peter Buckley