



Senate Finance and Revenue: Testimony of John Mullin, Legislative Advocate

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Earned Income Tax Credit: HB 4110 February 24, 2016

Mr. Chair, members of the committee, I am pleased to have this opportunity to submit testimony on HB 4144. The Oregon Law Center's (OLC) mission is to "achieve justice for the low- income communities of Oregon." Consistent with our mission, OLC has historically supported increases in Oregon's Earned Income Tax Credit (EITC.)

We had some discussion in the 2015 session about increasing the EITC for families with young children. However, the major focus prioritized combining the Working Family Child Care Credit and the Child and Dependent Credit. I participated in the work group, and under the leadership of Rep. Keny-Guyer, this merging and streamlining was, in my opinion, the centerpiece of the 2015 omnibus tax credit bill, HB 2171.

But although this was a major accomplishment, we were not able to get to the EITC improvements we discussed. This feels like unfinished business. More importantly, the rationale for increasing the EITC for families with young children is strong. It makes common sense when we acknowledge the fact that low income families with young children are especially challenged with paying for child care and other expenses in making ends meet while maintaining family stability.

The EITC is often described as "making work pay." Adding additional resources to support that goal for the families covered in the bill is a well thought out and vital enhancement to Oregon's EITC.

I very much appreciate Rep. Reardon's leadership on HB 4110, along with chief co-sponsors Rep. Keny-Guyer and Rep. Buehler. This bipartisan support follows in a long tradition at the national and state level of targeted assistance to low income families. By adding this new component for families with small children, we will build on the progress achieved in prior sessions, and we make a strong statement of responding to family needs.

I urge your support of HB 4110, which passed overwhelmingly in the House. Thank you for your consideration.