



Partners *for a*  
Hunger-Free Oregon

*Ending hunger before it begins.*

To: Senate Committee on Finance and Revenue

From: Matt Newell-Ching, Public Affairs Director, Partners for a Hunger-Free Oregon

Subject: Support Working Families with Young Children (HB 4110)

Date: February 24, 2016

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A healthy, happy early childhood is the foundation for success in life.

This proposal (HB 4110) emerged due to a wide body of research showing that kids in low-wage working families face a multitude of stresses that have long-term consequences. When working parents are stressed about whether there's enough money in the budget to cover a rent increase, or to repair a car that needs fixing, these cumulative family stresses can have a profound impact on a young child's brain development and long-term health outcomes. This is particularly true for a child's "first 1,000 days" of development.

HB 4110 addresses this by increasing Oregon's match of the federal Earned Income Tax Credit (EITC) for families with children under the age of three to 11%. Oregon will continue to match the federal EITC at 8% for all other eligible working households.

For new parents, this raise is modest, yet significant. **A working family with an infant and a toddler could see up to a \$187 increase in their credit.** That increase can help a family with some of the unique expenses of early childhood: diapers, a car seat, a safe crib, baby clothes, books, or child care payments.

The long-term benefits of the EITC are well-documented. Kids who are in families that receive EITC perform better on tests, leading to higher earnings and employment rates when kids become adults. **One study showed that each dollar invested in EITC results in a child's future earnings increasing by more than one dollar.**

Moreover, HB 4110 has strong bipartisan support. It passed the House by a vote of 54-4.

Let's give a brighter future for Oregon's newest generation. **We urge support of HB 4110.**