

March 13, 2019

Re: HB 2389: Oregon Bright Futures Plan

Chair Doherty and Representatives,

Children First for Oregon represents the interests of Oregon's almost 875,000 children and believes that together, with communities and leaders across the state, we can build a state where all children thrive.

About 1 in 5 Oregon children live in poverty. This rate is still slightly higher than it was during the last recession (20.3% in 2019 compared to 19.2% in 2009). Children's Savings Accounts represent a powerful, low-cost tool that will allow children to break the cycle of poverty.

We all know that education is an effective path out of poverty. To demonstrate its importance: the difference between median incomes of college graduates and high school graduates has doubled in inflation adjusted dollars over the last three decades. (Men - \$17,400 in 1979, to \$35,000 in 2012. Women \$12,900 to \$23,300.)¹ Simply put, the value of a post-secondary education has been growing and will continue to grow.

However, one of the best predictors of a child attending college is their parents' income level. Children's Savings Programs increase the odds of breaking the cycle. Children from low and moderate income families with children's savings accounts are three times more likely to attend college and four times more likely to graduate.² The accrued savings are an important part, but the idea of attending college is often the seed that germinates into a plan. Without the idea, the possibility is never imagined for many children.

Children First for Oregon supports creating a task force to finalize the plans for Oregon's Children's Savings Accounts as described in HB 2389. We urge you to join a wide range of partners to support HB 2389.

Sincerely,

James Barta
Strategic Director

¹ "Skills, education, and the rise of earnings inequality among the 'other 99 percent'" **David H. Autor, Science May 2014** [Link](#)

² Assets and Education Initiative. (2013). Building Expectations, Delivering Results: Asset-Based Financial Aid and the Future of Higher Education. In W. Elliott (Ed.), Biannual report on the assets and education field. Lawrence, KS: Assets and Education Initiative (AEDI). [Link](#)

Together we can build an Oregon where all children thrive.