



To: House Committee on Human Services and Housing
From: Matt Newell-Ching, Public Affairs Director
Subject: Statement of Support for HB 3028 to Renew and Raise Oregon's EITC
Date: March 27, 2019

It is the policy of the state of Oregon that "all persons have the right to be free from hunger" (ORS 458.530). Yet Oregon remains the state with the highest rate of hunger in the Northwest United States. The economic recovery has not been shared by all.

The Earned Income Tax Credit (EITC) is one of Oregon's strongest public policy tools to increase food security, reduce income inequality, build a future for kids and families, and support local economies. It changes lives by boosting income for 900,000 Oregonians. Along with the child tax credit, it lifts 127,000 Oregonians out of poverty. Participants often use the credit to invest in and envision a new future: purchasing or repairing a car, going back to school for career training, paying off debt, or saving for a house.

Yet among states with refundable state EITCs, Oregon ranks among the lowest. We have the opportunity to change that as Oregon's EITC needs to be renewed in 2019.

Hunger-Free Oregon Urges Passage of HB 3028 to Renew and Raise Oregon's EITC

We are proud to be a part of the coalition to Renew and Raise Oregon's EITC in 2019: a broad coalition including community organizations, businesses, labor organizations, culturally-specific organizations, public utilities, credit unions, and faith-based groups.

What HB 3028 Does (Along with the -1 and -2 amendments)

- Improves the credit by raising it to 12 percent of the federal tax credit.
- Gives an enhanced credit of 18% to families with kids under age 3, and 15% for families with kids ages 3-5.
- Makes the credit more equitable by extending it to all workers who file a tax return and meet the income threshold, including those who file with an Individual Taxpayer Identification Number (ITIN).

We urge the legislature to create a brighter future for Oregon's kids, families, and communities by renewing and raising Oregon's EITC by passing HB 3028.