

**TESTIMONY FOR HB 2164
JOINT TAX EXPENDITURES COMMITTEE
SUBMITTED BY PHILLIP KENNEDY-WONG
JUNE 11, 2019**



Oregon Food Bank supports the renewal of the Oregon Crop Donation Tax Credit. Our mission is to eliminate hunger and its root causes...because no one should be hungry. Oregon Food Bank believes that hunger starves not just the body, but also the human spirit. In 2017, an estimated 1 in 7 Oregonians experienced food insecurity, too many for a state that is blessed with farmers willing to donate. However, donating crops is not easy. It is a complicated logistical process that involves several factors including financial costs, which is why this tax credit is so important.

Communities thrive when people are nourished with healthy and fresh food. The Crop Donation Tax Credit helps increase the availability of Oregon grown produce, which the Oregon Food Bank Network then distributes to food insecure households. Our network of 5 Oregon Food Bank branches and 17 regional food bank partners is a powerful force in the fight against hunger. By working together, last year we collectively distributed approximately 100 million pounds of food to over 1,200 distribution points in communities throughout Oregon and Clark County, Washington.

Oregon Food Bank is near the end of our 5-year strategic plan, which includes a goal of increasing the amount of fresh produce distributed from 10 million to 15 million pounds annually. We are happy to say that we are on track to meet this goal. Oregon Food Bank commits our own resources to cover the costs of repackaging bulk produce in a form easy for local pantries to give to families. We also often offer a small “pick and pack out” fee for farmers – to cover labor, packaging and/or storage costs – making it easier for farmers to donate. Donated fresh produce, combined with other food industry donations and foods we purchase regularly, allows us to offer a complete nutritious combination of foods to the families we serve. The Oregon Crop Donation Tax credit helps facilitate these donations. With the help of this tax credit, we’re able to move millions of pounds of Oregon apples, potatoes, onions, pears, cherries, cucumbers, watermelons, summer seasonal crops, root crops, winter squash and more; to those who need it the most.

Renewing the Oregon Crop Donation Tax Credit means we can continue to increase the percentage of healthy fresh produce to people experiencing hunger. It gives the Oregon Food Bank Network a tool in our toolbox to work with both small and large growers throughout the state, ensuring consistent access to fresh produce to the people we serve throughout the year.

Thank you very much for your time and consideration.

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Oregon Food Bank supports the renewal of the earned income state credit and the inclusion of filers with Individual Tax Payer Identification Numbers. The earned income tax credit is one of the most effective tools to help families escape poverty.

Oregon may have historic low-unemployment but the high cost of living have kept many from realizing the economic benefits. Far too many still struggle to make ends meet, afford a home, or save for the future. A recent report by Eco Northwest stated that 156,000 Oregonians pay more than half of their monthly income toward housing, meaning these individuals are great risk to homelessness if a financial crisis should occurⁱ.

The rate of household food insecurity is 12.9 percent in Oregon, an estimated 212,205 households or 526,640 individualsⁱⁱ. The current rate is the first statistically significantly decline in years in food insecurity in Oregon. However if hunger were the influenza, it would be called a public health risk with all the attendant public responses necessary to contain its spread. A full-time job used to be sufficient to ward off the risks of poverty. We need a public response to hunger. We need to raise and renew the earned income tax credit.

There is no better time than now to renew the earned income tax credit when Oregon has record employment. The earned income tax credit would be a tremendous boost to the financial future of the many Oregonians that are working but not earning enough to cover all their living expenses. A larger tax refund at the end of the year can be especially helpful

About 900,000 Oregonians would benefit from the earned income tax credit. This is especially helpful for filers with Individual Taxpayer Identification Numbers who are not eligible for the federal earned income tax credit. The average federal credit for Oregon households with children is \$2,900.ⁱⁱⁱ The state earned income tax credit would give a refund of 8 percent and 11 percent of the federal amount for individual filers and filers with children under the age of three respectively.

Help us end hunger before it starts. We appreciate your thoughtful consideration. Thank you.

ⁱ ECONorthwest, Homelessness in Oregon March 2019

ⁱⁱ Feeding America, Map the Meal Gap

ⁱⁱⁱ Data on use of the federal EITC in Oregon for tax year 2016 sent to Oregon Center for Public Policy by Mark Beilby, Oregon Dept. of Revenue, November 14, 2018.

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