

Testimony before the House Committee on Revenue Relating to HB 2819: Leave No Worker Behind

By Jeff Stone, Executive Director, Oregon Association of Nurseries March 2, 2021

Chair Nathanson, Vice-Chairs Pham and Reschke, members of the committee, my name is Jeff Stone and I serve as the Executive Director of the Oregon Association of Nurseries. Thank you for the opportunity to provide comments in support of HB 2819, expanding the Earned Income Tax Credit.

Oregon's nursery and greenhouse industry values its workforce above all else, and OAN's members have worked diligently to ensure that Oregon's nursery and greenhouse workers are afforded the benefits of living in this great state, regardless of their tax filing status. OAN twice led in the fight to restore driver license access to all Oregonians, and we proudly work alongside our friends in the farmworker community whenever we can to advance equity and justice. In that same vein, we commend HB 2819 to you for passage.

The Economic Footprint of the Nursery and Greenhouse Industry

The nursery and greenhouse industry is the state's largest agricultural sector, and the industry ranks third in the nation, with over \$948 million in sales annually to customers in Oregon, the rest of the United States, and abroad. In fact, nearly 75% of the nursery stock grown in our state leaves our borders — with over half reaching markets east of the Mississippi River. The nursery industry employs over 22,000 full time workers with an annual payroll over \$327 million. We send ecologically friendly green products out of the state and bring traded sector dollars back to Oregon.

Nursery association members represent wholesale plant growers, Christmas tree growers, retailers, and greenhouse operators. Our members are located throughout the state, with our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill and Multnomah Counties.

Workers are the lifeblood of the Nursery and Greenhouse Industry

The Oregon Health Authority estimates there are 170,000 farmworkers and families in this state. Many of them file their taxes using an ITIN. They are tax-paying Oregonians with children in our public schools, roots in our communities, and they contribute to the rich cultural fabric of our state. If they are eligible for the Earned Income Tax Credit – a proven economic booster – they should receive it.

Under current policy, the EITC is denied to everyone in a household if just one member files their taxes with an ITIN. It is estimated that 34,000 households – many with children – are denied the EITC because of this rule. That is nothing short of discriminatory, and it's an unnecessary burden on our hardworking farm families.

House Bill 2819 would allow all income-eligible workers in Oregon to claim the state's EITC, regardless of how they file their taxes. This expansion would cost an estimated \$10 million, which has been included in the Governor's Recommended Budget. The National Conference of State Legislatures reports economic multiplier effect is generally 1.5to 2 for local economies.¹

With the pandemic coming to an end without significant damage to Oregon's economy or state revenues, now is the time to improve the prospects of these important working families.

Thank you for your time and attention.

¹ NCSL: The State of the Earned Income Tax Credit