

**Testimony in Support of HB 4117**

**Cindy Adams**

**February 1, 2022**

Chair Williams, Vice Chairs Ruiz and Sharf, and Members of the Committee:

Thank you for the opportunity to provide testimony in support of House Bill 4117. My name is Cindy Adams and I am submitting this testimony on behalf of United Way of the Columbia-Willamette.

We are writing to offer support for House Bill 4117 because we know that the Earned Income Tax Credit is one of the most effective programs to help individuals and families transition from poverty to self-sufficiency. This bill would enable culturally specific and responsive community-based organizations, tribal governments, and rural communities better assist their clients in accessing critical tax support and navigation resources.

- On a local level, Oregon has persistently ranked near the bottom of U.S. states in access to the Earned Income Tax Credit (EITC). In recognition of this problem, Governor Brown has made it a priority to modernize and improve EITC access and take-up rates.
- Research shows that barriers around geography, language, and trust limit Oregonians' ability to file their tax returns.
- Now with the impact of Covid-19 on family job security and income, the need is even greater to overcome these barriers. It's imperative that Oregon execute a strategy to improve tax filing for both EITC access and other tax credits that are available to low-income families.
- If Oregon were to increase its EITC take-up rate from its current 73.1 percent to the national average of 78.6 percent, low-income families would have access to \$27 million in EITC funds and \$5 million in Child Tax Credit (CTC) Funds annually.

We are immensely appreciative that Oregon passed several critical policies to expand access to the EITC and improve its uptake including expanding access to ITIN filers in the 2020 session and renewing and raising the credit in 2019.

There is still much opportunity to leverage and work to be accomplished. Our current network for culturally specific, culturally responsive, and rural providers is under resourced and in need of expansion and innovation. A sustainable grant funding program that increases the capacity of these providers is imperative to maximize the EITC take-up rate and improve access to other tax credits and payments available to low-income families. Specifically, HB 4117 will:

- Fund new infrastructure through capacity grants in geographically diverse communities to deliver tax preparation and tax navigation services to expand access to benefits

**United Way of the Columbia-Willamette**

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**United Way of the  
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- Significantly improve recruitment and retention of qualified tax preparers, both volunteer and paid
- Strengthen the technology and training systems for delivering tax preparation
- Strengthen taxpayer outreach, education, and connection to communities by culturally specific, culturally responsive, tribal governments, and rural partners

Every Oregon family eligible for these credits deserves **equitable access** to free tax preparation and navigation resources so they can access these credits. United Way of the Columbia-Willamette urges your support for HB 4117.

Sincerely,

A handwritten signature in black ink, appearing to read "Cindy Johnson".

President and CEO