

February 27, 2023

To: House Committee on Early Childhood and Human Services

From: Partners for a Hunger-Free Oregon

Re: Support for HB 3235

Chair Reynolds, Vice-Chairs Scharf and Nguyen, Members of the Committee:

My name is Ames Kessler-Templin and I am the legislative strategist at Partners for a Hunger-Free Oregon (PHFO). I am submitting testimony in support of HB 3235, the Oregon Kids' Credit.

PHFO is a statewide anti-poverty advocacy organization with a small staff of under 15 members. We understand that leadership comes from those with lived experience and that hunger and poverty do not exist on their own, but rather a result of overlapping systems of oppression that create layers of privilege and inequity. Our values and work are centered in creating systemic changes to end hunger. At PHFO, we do not seek to just feed our neighbors, we seek our shared liberation from systems of oppression and to address the root causes of hunger.

The Oregon Kids' Credit is a \$1,200 refundable tax credit for each child that a low-income or working family claims on their taxes. It would provide financial support to about half a million Oregonians, including more than 200,000 children in our communities. It is targeted explicitly at the Oregonians in greatest need, the low- and middle-income families struggling most to afford rent, childcare, and other basic needs, made worse by rising costs.

When Congress expanded the federal Child Tax Credit in 2021, child poverty nationwide dropped faster than at any point in history. While most of the children who benefited were white, the enhanced tax credit disproportionately helped children of color escape poverty. As designed, the Oregon Kids' Credit would disproportionately benefit Black, Indigenous, and Latino children. In other words, a child tax credit not only reduces poverty, it also pushes back against racial inequality.

When the federal expansion ended, an estimated 190,000 Oregon children lost access to the credit. While Congress should expand its Child Tax Credit, Oregon families cannot wait for congressional action. The legislature needs to immediately reduce child poverty by passing HB 3235 and creating the Oregon Kids' Credit.

The Oregon Kids' Credit would bring tens of thousands of Oregon children out of poverty and reduce the share of Oregon children living in poverty by nearly a fifth. We also know that cash policies are a lifeline for families with low incomes: In 2021, when the federal CTC was temporarily expanded, nearly 9 in every 10 low-income Oregon families receiving the CTC spent those dollars on basic needs such as food, clothing, shelter, or utilities. The Oregon Kids' Credit would similarly help these families afford these fundamental needs.

Children and families across Oregon are struggling with economic insecurity, made worse by rising prices. The most direct way to address this is to give these families more money to afford rent, food, and other basic needs. Creating an Oregon Kids' Credit would be an effective and efficient way to deliver resources to the families in greatest need and slash child poverty.

Please support Oregon's parents and children and advance the Oregon Kids' Credit, HB 3235.

Sincerely,

Ames Kessler-Templin Legislative Strategist Partners for a Hunger-Free Oregon