



*Standing for dignity in the workplace*

*Testimony in Support of HB 3235  
February 28, 2023*

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

My name is Kate Suisman. I am an attorney at the Northwest Workers' Justice Project (NWJP). We represent workers in low-wage jobs when bad things happen to them at work, like when they are not paid or are discriminated against for being in a protected class or are retaliated against for speaking up. Finally, we engage in policy advocacy and try to bring the important perspectives of workers in low-wage jobs and immigrant workers to these policy discussions. I respectfully submit this testimony in strong support of House Bill 3235, the Oregon Kids' Credit.

The Oregon Kids' Credit is a \$1,200 refundable tax credit for each child that a low-income 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.

NWJP supports workers across Oregon, in a variety of sectors including construction, building maintenance, landscaping, hotels and restaurants, food processing, agriculture and forestry, including in rural regions. Many of our clients from rural regions experiencing workplace exploitation often struggle with basic needs, including childcare costs. Analysis by the Oregon Center for Public Policy shows that while the Oregon Kids' Credit would help children in every county and every corner of Oregon, children in rural Oregon stand to benefit disproportionately. Reducing geographic income disparities, especially by supporting children, in rural areas is necessary for improving the overall well-being of our state.

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. 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. Uplifting children's economic mobility and resources is crucial to ending cyclical poverty and ensuring equal access to education - both important underlying factors to ending workplace exploitation.

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. Supporting children and families by assisting them with basic living expenses is the best way to promote safe workplaces, as our clients can focus on justice with less fear for the next meal or rent payment.

The Oregon Kids' Credit, HB 3235, is a step in the right direction for ensuring equitable workplaces and ending cyclical poverty in our communities. It would make a huge difference in the lives of our clients. Please support Oregon's parents and children and advance the Oregon Kids' Credit, HB 3235.

Thank you very much.