



February 27, 2023

To: House Committee on Early Childhood & Human Services
From: Our Children Oregon, The Children's Agenda
RE: Support for HB 3235, Oregon Kids' Credit

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

The Children's Agenda, convened by Our Children Oregon, brings together ~127 organizations statewide to create a holistic legislative agenda dedicated to improving the well-being of Oregon's children, youth, and families. Our collective created a 2023 legislative agenda that focuses on community-driven solutions to provide access and opportunities for all children and families. **We write in support of the Oregon Kids' Credit (HB 3235), which is a top priority of the 2023 Children's Agenda.**

Every Oregon child should be able to grow up economically secure to thrive. As part of the American Rescue Plan in 2021, the Federal Child Tax Credit (CTC) expansion was precisely what Oregon families needed. The temporary expansion helped to ensure families received the assistance they needed during the height of the COVID pandemic, helping families pay for their basic needs like rent, utilities, groceries, clothes, and other essentials. We also saw child poverty nationally drop by nearly half due to this historic relief– the lowest rate on record. It is the most beneficial evidence of what direct cash assistance can do for children and families.

- The Oregon Poverty Measure Project reported that the CTC helped bring 60,000 Oregon children out of poverty.¹
- Due to the expiration of the federal CTC expansion, an estimated 192,000 Oregon children, and millions more nationwide, have lost access to the full credit.²

Establishing the Oregon Kids' Credit (HB 3235) will help families with children make ends meet and reduce financial stress. This refundable state tax credit would be the most beneficial way of delivering resources to families and alleviating many of the economic stressors of raising a child. Analysis by the Oregon Center for Public Policy shows that the Oregon Kids' Credit would help children in every county and every corner of Oregon, but especially children in rural Oregon and Black, Indigenous, and Latinx children would stand to benefit disproportionately.³ Evidence shows that direct cash, like the Oregon Kids' Credit, will provide long-term benefits in advancing equity and lead to overall better health for children, increased

¹ <https://health.oregonstate.edu/sites/health.oregonstate.edu/files/research/groups/poverty/pdf/oprm-early-findings-draft-report.pdf>

² <https://www.cbpp.org/research/federal-tax/year-end-tax-policy-priority-expand-the-child-tax-credit-for-the-19-million>

³ https://www.ocpp.org/2023/02/23/kids-credit-lifeline/#_edn1

stability, and elevated success in school.

Oregon families need the Oregon Kids' Credit. The Children's Agenda strongly supports HB 3235 to create a refundable tax credit of \$1,200 per eligible child per year to help Oregon families most in need. The credit could lift more than 200,000 children, and nearly 20,000 Oregon children would be lifted out of poverty. 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 basic needs. Creating an Oregon Kids' Credit would be an effective and efficient way to deliver resources to the families in greatest need and reduce child poverty.

As advocates for children, it is vital to continue supporting families with the financial relief and the urgently needed assistance that the Oregon Kids' Credit can provide. We thank you for your time and efforts in taking the necessary steps to end economic hardship and build a life of economic security for our children. They deserve to thrive in every aspect of their life. We urge your support for HB 3235.

Sincerely,

Our Children Oregon
Oregon Center for Public Policy
APANO
Catholic Community Services
Children's Institute
Clackamas Women's Services
Coalition of Communities of Color
Community Action Team, Inc.
FACT Oregon
Families First Parent Resource
Family Forward Oregon
Fight Crime: Invest in Kids
Friends of Outdoor School
IRCO
Neighborhood Partnerships

Oregon Alliance of YMCAs
Oregon Association of Relief
Oregon CASA Network
Oregon Coalition of Local Health Officials
Oregon Resource Family Alliance
Oregon Food Bank
Oregon Hunger Task Force
Oregon Kids Read
Oregon Primary Care Association
Oregon PTA
Oregon School-Based Health Alliance
Partners for a Hunger-Free Oregon
Prevent Child Abuse Oregon
Pro-Choice Oregon
Washington County Kids

[View the 2023 Children's Agenda: www.ourchildrenoregon.org/2023-childrens-agenda/](http://www.ourchildrenoregon.org/2023-childrens-agenda/)