Martha Sonato



Legislative Advocate 971.801.5031 msonato@oregonlawcenter.org 522 SW Fifth Avenue, Suite 812 Portland, OR 97204

House Committee on Early Childhood and Human Services

Testimony in support of HB 3235 2/27/2023

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

On behalf of the Oregon Law Center, please accept this testimony in strong support of HB 3235, which creates the Oregon Kids' Credit.

The Oregon Law Center (OLC) is a state-wide non-profit law firm whose mission is to achieve justice for low-income communities of Oregon by providing a full range of the highest quality civil legal services. OLC is committed to efforts designed to remove systemic barriers to economic security and people's ability to take care of themselves and their families. Many of our clients have incomes at or below 125% of the federal poverty level, and work hard to provide the necessities for themselves and their family.

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.

In 2021, when the federal children's tax credit (CTC) was temporarily expanded, child poverty nationwide dropped faster than at any point in history. 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. Unfortunately, when the expanded federal CTC ended, an estimated 190,000 Oregon children lost access to the credit.

Low-income families across the state are desperately struggling to afford rent, childcare, and other basic needs. The legislature has an opportunity here to bring tens of thousands of Oregon children out of poverty and reduce the share of Oregon children living in poverty by nearly a fifth.

The most direct way to address this is to give these families more money to afford rent, food, and other basic needs. From our work serving low-income Oregonians, we know cash policies are a lifeline for families with low incomes. 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.

We appreciate this committee for your work and attention to this important matter. We respectfully urge your support of HB 3235. Thank you for your time.