To: House Early Childhood & Human Services Committee

From: Dana Hepper, Director of Policy & Advocacy, Children's Institute

Date: Monday, February 27, 2023

Re: Support for Oregon Kids Credit (HB 3235)

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

Thank you for the opportunity to submit testimony today in support of HB 3235 to create an Oregon Kids Credit to lift children and families out of poverty. My name is Dana Hepper and I am the Director of Policy & Advocacy at the Children's Institute. Our vision is an Oregon where all children have the love, care, and education they need.

Children are more likely to live in poverty than any other age group (<u>US</u> <u>Census</u>). 113,000 children in Oregon live in poverty (<u>Kids Count</u>). 45,000 of these children are under the age of 6 (<u>Children's Defense Fund</u>). This means Oregonians are most likely to live in poverty at exactly the same time their brains are experiencing the most rapid period of brain development, making 1 million neural connections a second (<u>Harvard</u>).

Every child is born full of potential. Yet the impacts of poverty on young children can be life-long. Young children experiencing deep poverty, while they are growing their bodies and their minds, are more likely to experience delays in critical early learning skills (like reading and self-regulation) and have early health challenges (like asthma) and long-term chronic disease (Child Trends). Due to systemic inequities, higher rates of children who are Native, Black, Latino, Pacific Islander and other children of color experience poverty, thereby perpetuating later inequities.

We can and must do better for children. Refundable, monthly child tax credits are a proven effective strategy for reducing child poverty. Research on the Federal Child Tax Credit showed that families spent additional dollars on

exactly the things their children need to thrive (<u>Brookings Institute</u>). Specifically, families receiving the child tax credit spent that credit on:

- Family essentials food, housing, clothing, and reducing debt.
- Improving the quality of food including increased consumption of fruit, meat/protein, and balanced meals - essential to support life-long health of children.
- Investments in their children's education, especially among people of color.
- Accessing job/skill training for the adults in the household to better the family's well-being overall.

In other words, Oregon Kids Credit is proposing a strategy that is effective at reducing poverty for children and supporting all children to reach that inherent potential.