

Submitter: Kathleen Lloyd

On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure, Appointment or Topic: SB1507

To: Senate Committee on Finance and Revenue

From: Kathleen Lloyd

Date: February 4th, 2026

RE: SB 1507 - Tax Disconnect

My name is Kathleen Lloyd, I am the coordinator of the early learning childhood education program at Lane Community College. Families are struggling and children are at risk. This has become a public health crisis. As Americans and as Oregonians we should be ashamed of ourselves. It would also be important to create a public retirement system so child care providers can maintain a long-term commitment to the valuable work and service they provide. Perhaps it is time to consider new avenues of revenue, such as a 1% of every ticket or beer sold to attend a college football game is investment in the public retirement system for child care providers. As an educator that supports the professional development of the child care workforce, I know how important these funds are for parents and therefore children. If we truly want to make America great again we must invest in our families and alleviate the unbearable stress they are suffering from.

Essential state and federal services that millions of Oregonians rely on are at risk of severe funding cuts due to H.R. 1 and the Trump Administration's agenda. While Oregon faces the loss of billions in federal funds, the wealthiest earners and out-of-state corporations stand to gain massive tax breaks. This is unacceptable for our state and its people.

If we do not decouple from these federal tax codes, Oregon will be forced to make devastating cuts to essential services that millions rely on. Without action, the impacts will be severe: Employment-Related Day Care will run out of money by January 2027 unless the current legislature fills its \$88 million shortfall; food banks will be overwhelmed as federal SNAP funds are withdrawn, leaving critical gaps in food security; hundreds of thousands of Oregonians stand to lose health care coverage due to the largest funding cut in Medicaid/Oregon Health Plan history. These are just a few examples of what's at risk if we remain bound to a federal system that prioritizes tax breaks for the wealthy over the well-being of our communities.

I support the state disconnecting from the federal tax codes because being a provider, I haven't needed child care for my own children. For 20 years I have supported families who need child care. My fear is that if the funding doesn't

continue, as a provider I could lose children that need child care. This effects my enrollment and the parents and children I'm able to help support. I want legislators to know that if parents can't work, providers can't work. This forces us to either find other employment and leave the field, or search for families who can afford daycare out-of-pocket and that can be a true struggle for families.

It's pouring in Oregon. I urge you not to bend the knee to the Trump Administration and disconnect from the federal tax codes so that Oregonians don't lose the essential services we heavily rely on.

Thank you,  
Kathleen Lloyd