

Hello, my name is Amanda Hart and I would like to share my support of HB2737, the Segal AmeriCorps Education Award Tax Relief Bill, which would provide an income tax exemption for AmeriCorps members who are using their Segal AmeriCorps Education Award.

As a private citizen of Oregon with a personal connection to service as an Alumni, I have seen the impact AmeriCorps has in our communities and in the lives of those who serve.

When I finished my two years of AmeriCorps service –as a Community Involvement Specialist in a Community School program at an East Portland elementary school – I was just a couple years out of college, and ecstatic to have the education award funds to chip away at my substantial student loan debt. While I had been warned by former AmeriCorps Members to “beware that education award was taxed,” my limited understanding of how taxes worked and what would actually happen when using my award resulted in a traumatic experience when filing my own taxes for the first time.

Fresh out of my service (and thus without any earned savings from the last two years), I found out that I owed nearly \$600 in taxes from paying off my student loans – an exorbitant amount of money for someone with no savings or full-time work to cover those costs myself. I was fortunate enough to have a “safety net” of family who loaned me this money to pay these taxes, but there are countless Members who do not have this kind of safety net. Furthermore, this highlights the social, racial, and economic inequities built into the system of national service by essentially prohibiting those without generational wealth and resources from serving their community.

AmeriCorps members and alumni serve for a year to benefit their communities in the state of Oregon by playing critical roles in meeting growing needs including tutoring and mentoring children, revitalizing communities through the leveraging of countless volunteers, improving public safety, and supporting communities during disaster, such as the recent wildfires and the pandemic.

One of the key benefits of completing service in AmeriCorps is the opportunity to expand your education or to repay student loans through the use of the Segal AmeriCorps Education Award (\$6,345 for full-time members). Currently, the Segal AmeriCorps Education Award is taxed as regular income. This can cause financial hardship for many AmeriCorps members as well as a delay on plans to seek higher education.

Many universities and colleges in Oregon receive the benefits of the Segal Education Award. Over 20,000 people have served in Oregon since 1994. More than \$33M of earned awards in Oregon have gone back to educational and financial partners around the state.

HB2737 will:

- Eliminate state taxation on the Segal AmeriCorps Education Award;
- Allow AmeriCorps alumni who are unable to use the full value of the award because it is taxed, use the full value to attain career and education goals.
- Attract more people to service in Oregon because of the increased value of the Segal AmeriCorps Education Award
- Ensure that the Segal AmeriCorps Education Award is treated like the Pell Grant and the G.I. Bill, two very similar U.S. educational awards.

AmeriCorps is a pathway to education and employment in Oregon. I urge you to support the AmeriCorps members who are making such a positive change in this community and help clear a pathway to educational and economic opportunity for those who serve.

Thank you for your time,

Amanda Hart