

To: House Committee on Human Services

From: Mohammad Bader, MS, LPC | Director, Department of County Human Services
Peggy Samolinski | Director, Youth and Family Services Division

Date: February 2, 2022

RE: Testimony Supporting HB 4117

Honorable Chair Williams and Members of the House Committee on Human Services,

We are writing in support of HB 4117, which provides critical funding to culturally specific and responsive organizations, tribal governments and under-resourced rural community organizations to conduct outreach regarding federal Earned Income Tax Credits (EITC) and other tax benefits, and to provide tax navigation and preparation services to low-income Oregonians.

Oregon is ranked next to last in terms of EITC participation, according to the Oregon Center for Public Policy. Tens of thousands of low- wage working families qualifying for the Earned Income Tax Credit (EITC) aren't claiming this valuable resource. This is of great concern, especially at a time when we know households are struggling so acutely from the economic impacts of the pandemic.

The EITC is one of the most effective tools for helping working families meet their basic needs and improve their lives. HB 4117 would provide critical support to Oregonians in accessing the EITC and other tax benefits they are eligible for but are not receiving due to a variety of barriers. Many taxpayers lack awareness of the ever changing tax laws and credits and of how to access them or find assistance. Complicated tax forms and legal language present additional challenges, and even more so for folks whose first language is not English. Internet access is another significant barrier to low-income families accessing resources, as we have seen clearly during the pandemic. For these reasons, people turn to commercial tax preparers that charge considerable fees and to refund anticipation loans.

Having information and tax preparation support available through culturally specific and responsive organizations that community members trust and that can provide support in peoples' native language will reach community members that face the greatest barriers to these important benefits.

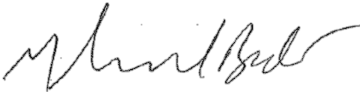
Multnomah County has invested in tax preparation support for many years and has seen how effective providing free navigation and tax preparation assistance is in reaching our most vulnerable residents. We have learned that outreach and interpretation are critical in reaching populations with the greatest barriers. We have the greatest success when we empower culturally specific and responsive organizations to deliver these services using their established relationships, systems and convenient community locations. Currently capacity at culturally

responsive agencies is not adequate to reach the thousands of households across the state that could benefit from tax credits - and we are not aware of culturally specific tax preparation programs available to taxpayers.

Oregon's alarmingly low national ranking is clear evidence of the need for urgent action in our state to take advantage of a benefit our low-wage working families are both due and desperately need.

We at Multnomah County support HB 4117 and ask that you take this critical step to address this inequity in access to tax credits. The bill would have a significant financial impact for struggling Oregonians, including BIPOC communities who are disproportionately experiencing poverty and unemployment, and who will face additional challenges to recovering economically from the impacts of the pandemic.

Thank you,



Mohammad Bader, MS, LPC

Director

Department of County Human Services



Peggy Samolinski

Director

Youth and Family Services Division