

To: House Committee on Human Services
From: Dana Hepper, Children's Institute
Date: February 3, 2022
Re: Support for HB 4117

Children's Institute is an early childhood advocacy organization that uses research, practice, policy and advocacy to **shift systems toward justice** for families so that all Oregon's children, birth to grade 5, have access to opportunity through high-quality early care and education programs.

We are writing to offer support for House Bill 4117 because we know that the Earned Income Tax Credit is one of the most effective programs to help lift families with children out of poverty. Increasing family income has a huge impact on children's growth and development.

As an organization committed to advancing racial and geographic equity, we are excited that this bill would enable culturally specific and responsive community-based organizations, tribal governments, and rural communities better assist their clients in accessing critical tax support and navigation resources.

While children have not been hardest hit by the health implications of the COVID-19 pandemic, they have been greatly impacted by the secondary impacts. The impacts on their development, learning, and family stability have exacerbated systemic inequities that already existed. Refundable tax credits one way to get families the resources they need so their families can be stable and thriving. Yet Oregon has ranked near the bottom of US states in access to the Earned Income Tax Credit. Barriers around geography, language, and trust limit Oregonians' ability to file their tax returns

If Oregon were to increase its EITC take-up rate from its current 73.1 percent to the national average of 78.6 percent, low-income families would have access to \$27 million in EITC funds and \$5 million in Child Tax Credit (CTC) Funds annually.

Children's Institute supports this legislation and funding to build a sustainable network culturally specific, culturally responsive, and rural providers to maximize the EITC take-up rate and improve access to other tax credits and payments available to low-income families.

Every Oregon family eligible for these credits deserves access to free tax preparation and navigation resources so they can access these credits. Children's Institute urges your support for HB 4117.