

February 27, 2023

To: House Committee on Early Childhood & Human Services  
From: Our Children Oregon, The Children's Agenda  
RE: Support for HB 3235, Oregon Kids' Credit

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

Thank you for the opportunity to provide testimony in support of House Bill 3235. My name is Cindy Lucht, and I live in Ontario, OR.

I'm writing to support HB 3235: The Oregon Kids' Credit Act. HB 3235 is a 2023 Children's Agenda priority concept. Economic insecurity and the escalating cost of raising children in Oregon have caused many households to struggle to afford rent, food, and other basic needs. Since the federal Child Tax Credit (CTC) expansion's expiration, many more children are at risk of falling deeper into poverty- disproportionately children of color and low-income families. Federal aid programs like the CTC have gone a long way in reducing economic burdens among low-income families across our state:

I support HB 3235 to establish the Oregon Kids' Credit to set forth opportunities for families and their children to help make ends meet and reduce financial stress. This refundable state tax credit would be the most beneficial way of delivering resources to families and positively alleviate many of the economic stressors of raising a child. Evidence indicates that it would have long-term benefits in advancing equity and lead to better health for children, increased stability, and elevated success in school. Beyond that, providing support to Oregon families through the tax code is one of the most effective ways to address economic insecurity.

HB 3225 would create a refundable tax credit of \$1,200 per eligible child per year to help Oregon families struggling with the increasing cost of childrearing, make Oregon families who file taxes eligible considering meeting the income requirements, and lift more than 200,000 children or about three in 10 children in Oregon out of poverty.

Without HB 3235, Oregon will face outcomes that affect everyone. We will see lower levels of educational attainment, poorer health outcomes, and reduced incomes in children as they approach adulthood. As advocates for children, it is vital to continue supporting families with the financial relief and urgently needed assistance that the Oregon Kids' Credit can provide. I support HB 3235 to improve the well-being of children and youth across the state. I urge your support of HB 3235 to establish the Oregon Kids' Credit.

Sincerely,  
Cindy Lucht