

LISA REYNOLDS, MD  
STATE REPRESENTATIVE  
District 34



## HOUSE OF REPRESENTATIVES

### Testimony in Support of HB 3235 February 27th, 2023

Vice Chairs Scharf and Nguyen and members of the committee, thank you for taking the time to hear HB 3235, which would create a child tax credit for Oregon families.

Fundamentally, this measure is a way to combat child poverty. This is a topic that keeps me up at night, as it is clear to me that child poverty is at the root of so many of the issues we take up here in this committee, and it is the basis for the opportunity gap we must confront in our quest to make Oregon the best and most equitable state in which to grow up.

Because it is **poverty**, and the toxic stress that poverty brings, that is the common thread through so many poor health outcomes. **Children** are particularly vulnerable to the consequences of poverty which can lead to houselessness, hunger and subsequent disruptions in physical and cognitive growth and in mental health. And we know that poverty contributes to higher infant mortality rates and lower expected life spans.

Children who experience poverty are more likely to become impoverished adults, reflecting a cycle that is difficult to interrupt - something we will discuss in future meetings.

And it is **poverty** which is at the root of so much of the work we do here in this committee in our discussions on housing insecurity, on our foster care system, and, of course, in our self sufficiency programs.

It is **poverty** that prevents so many people from reaching their full potential, and so many parents from engaging with and being present with their little ones. The toxic stress of poverty, the gnawing fear so many parents of babies experience that “we might not meet rent” or “the food is running out” can literally disrupt the crucial early interactions between a parent and a child. I’m talking about bonding, **early relational health**, and attachment. An engaging parent-child relationship is vital to literally growing the brains of our babies. The parent is the architect of the baby’s brain and can do this best if the parent themselves is able to be present, to be calm, to know that the apartment is secure, the food won’t run out, the workplace is supportive.

Poverty is a strong risk factor for **child endangerment**, which, again, informs so much of the work of this committee and of the Oregon Department of Human Services. We have gone so far

as to equate our choices on how we address child poverty with our choices on how to best prevent child endangerment.

There's some good news. It was recently reported that the US has seen a marked decline in **child poverty** - a 59% drop between 1993 to 2019.

And to quote a co-author of that study: "We know that a childhood free of poverty predicts better adult outcomes in just about every area you can imagine, including education, earnings and health."

We should celebrate this!

It turns out it's not rocket science!

So, what helped us cut child poverty?

Federal safety net programs over the years have **expanded**

- the number of people eligible and
- the size of the benefits and
- the ease of access to these programs.

This includes the Earned Income Tax Credit, social security benefits, SNAP (the Supplemental Nutrition Assistance Program) which we learned about last week, Housing assistance - which is getting a huge push forward this week, including programs specifically tailored for homeless youth and homeless families with small children, free and reduced lunch programs, which the legislature is looking at yet again, to make universal.

We will be hearing more this hour about Temporary Assistance for Needy Families (TANF) and a state level child tax credit.

Furthermore a drop in unemployment coupled with a rise in the minimum wage **at the state level** (thank you, Oregon) put a dent in the rate of poverty too. And of course, the expansion of medicaid really helped.

**And, crucially to this bill, the US saw progress again last year, when the federal government increased the child tax credit by 80%, and allocated much of it through monthly checks to families. This reduced child poverty, albeit temporarily, by another 50%!**

Although these federal benefits have been scaled back, we have an opportunity to continue that incredible progress here in Oregon. We have an opportunity to use a proven system to invest in Oregon's kids and families – simply by giving their money back to them. HB 3235 would use the

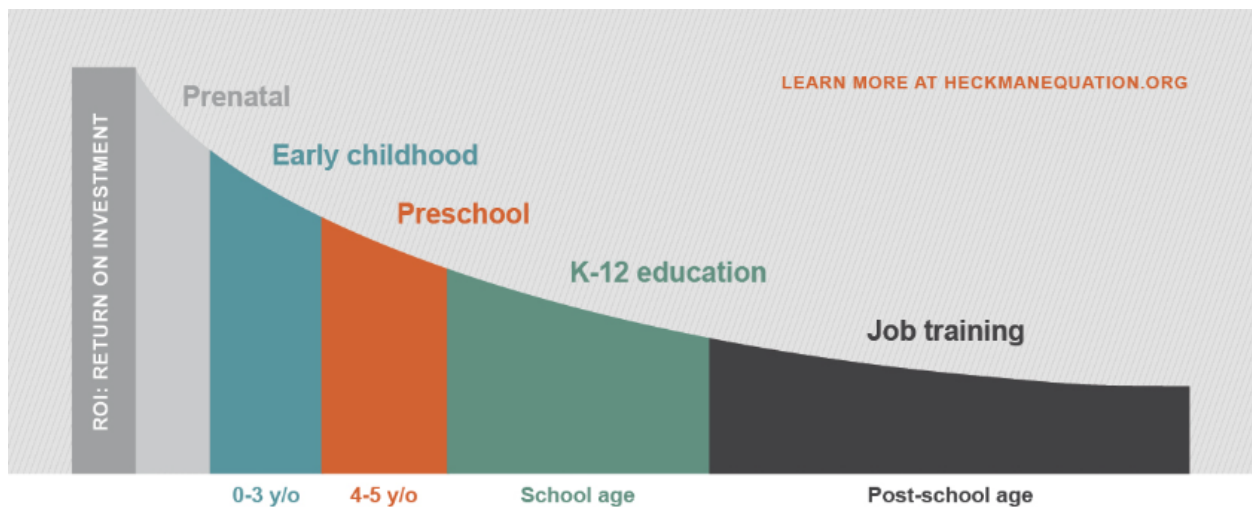
same highly successful structure that the federal child tax credit used to support Oregonians in every corner of our state.

In Oregon, 15% of children still live in poverty. And this is defined as a family of four making less than \$28,000 per year. This is 134,000 kids, disproportionately children who are Black, Indigenous, and people of color. These kids are at higher risk of hunger, developmental delays, social-emotional learning deficits, and, yes, becoming adults in poverty.

And remember: we know how to end poverty.

I'm proud to live in a state whose minimum wage is double the federal one, whose medicaid program covers all kids. A state that is working to solve the difficulties of providing childcare, and behavioral health services, and care for our aging population.

And I think our state can go further. I believe Oregon can end child poverty. We will be looking at ways to do this - to cut in half the proportion of Oregon kids in poverty over the next 5 years. And, I hope you'll join me.



*Heckman's curve, shown here, illustrates the return on investment for social spending on young people.*

The earlier we devote resources in a person's life, the more impact they have. This is why I'm obsessed with ending child poverty - it would improve most every social determinant of health, including youth homelessness, it would reduce childhood trauma, it would help level the playing field for those in our communities who have historically been left behind.

We can do this - let's invest in our state's future and address the root cause of so many problems facing our state by combating child poverty. Let's pass HB 3235 and put money back in the hands of working Oregonian families to raise their kids.