

HB 3795 -1 STAFF MEASURE SUMMARY

House Committee On Early Childhood and Human Services

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Meeting Dates: 4/3

WHAT THE MEASURE DOES:

The measure directs the Department of Human Services (DHS) to study human services and submit a report to the Legislative Assembly by September 15, 2026. The measure sunsets on January 2, 2027.

REVENUE: No revenue impact.

FISCAL: Has minimal fiscal impact.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 The amendment replaces the measure. The amendment requires the Department of Human Services to report annually to interim legislative committees on the department's grant program for organizations that provide low-income individuals with education on tax benefits and assistance with navigating the tax system .

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

BACKGROUND:

In 2022, the Legislative Assembly passed [House Bill 4117](#), which appropriated \$4 million to the Oregon Department of Human Services (DHS) to provide grants to culturally specific organizations, tribal governments, and under-resourced rural community service organizations that assisted low-income households in filing tax returns. As a result of the bill, DHS established the Tax Infrastructure Grant Program. [According to DHS](#), the objective of the program is to provide free income tax services and education about income tax credits and other tax benefits to low-income households.

According to a [report](#) from the Legislative Revenue Office, most of the grant funding supports tax preparation organizations associated with the Internal Revenue Service's Volunteer Income Tax Assistance (VITA) sites. About 10,000 personal income tax returns were filed from grant supported organizations in 2023, increasing to about 12,600 returns for the spring 2024 tax filing season. The DHS Tax Infrastructure Program 2024 [report](#) provides a detailed overview of the program, including information on taxpayers who participated in the program, the percentage of returns prepared by program grantees that included the Earned Income Tax Credit, and other program details.