



**Support House Bill 2958**  
**House Committee on Revenue**  
**February 17th, 2025**

Chair Nathanson, Vice-Chairs Reschke and Walters, and Members of the Committee,

As the Executive Director of Prevent Child Abuse Oregon, a statewide nonprofit dedicated to the prevention of child abuse and neglect through upstream and comprehensive prevention strategies, I respectfully submit this testimony in support of House Bill 2958 to renew and strengthen Oregon's Earned Income Tax Credit.

**Research shows tax credits like HB 2958 would bring downstream cost savings to our state.** Policies like the Earned Income Tax Credit have been shown to lead to a long list of positive impacts on families, and result in cost savings in other systems. This is related to improved child and family wellbeing and the resulting reductions in state system involvement including child welfare, the criminal justice system and the healthcare system, among others.

- Research conducted by Chapin Hall documented and confirmed that increases in economic and concrete supports to families (eg. tax credits) prevent child welfare involvement.<sup>1</sup>
- Another study found that for every thousand dollars states spend on benefits per person experiencing poverty, there was a reduction in reporting of child abuse and neglect (4.3%), reduction in foster care placements (2.1%) and reduction in child fatalities related to abuse (7.7%).<sup>2</sup>
- In a separate study, research showed an immediate 14% reduction in calls to the child abuse hotline following the distribution of tax credit payments.<sup>3</sup>
- Finally, another study identified a trend in declining emergency department visits for abuse and neglect following the enactment of the expanded tax credit.<sup>4</sup>

The Earned Income Tax Credit (EITC) is the largest anti-poverty program in the Oregon tax code, helping about 250,000 working families struggling to make ends meet every year. Together with its federal counterpart, Oregon's EITC helps lift tens of thousands of Oregonians

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<sup>1</sup> Monahan, E. K., Grewal-Kok, Y., Cusick, G., & Anderson, C. (2023). Economic and concrete supports: An evidence-based service for child welfare prevention. Chapin Hall at the University of Chicago.

<sup>2</sup> Puls, H. T., Hall, M., Anderst, J. D., Gurley, T., Perrin, J., & Chung, P. J. (2021). State spending on public benefit programs and child maltreatment. *Pediatrics*, 148(5), e2021050685. <https://doi.org/10.1542/peds.2021-050685>.

<sup>3</sup> Merrill-Francis, M., Chen, M.S., Dunphy, C., et al. Injury Prevention Publication ahead of print: Received October 2, 2023.. doi:10.1136/ip-2023-045130.

<sup>4</sup> Bullinger, L.R., & Boy A. (2023) Association of Expanded Child Tax Credit Payments With Child Abuse and Neglect Emergency Department Visits. *JAMA Netw Open*. 2023 Feb 1;6(2):e2255639. doi: 10.1001/jamanetworkopen.2022.55639. PMID: 36795416; PMCID: PMC9936349.

out of poverty. The EITC does this by putting dollars in the pockets of families working for low wages. Currently, Oregon's EITC can be worth up to \$900, which helps families struggling to get by with keeping food on the table or paying their utility bills. Without legislative action this session, Oregon's EITC will sunset.

HB 2958 would renew and make needed improvements to strengthen Oregon's EITC, including:

- More than double the match of the federal credit provided by the state, better helping working families meet the rising cost of living;
- Expand eligibility to all childless workers regardless of their age, better helping younger Oregonians entering the workforce and those working past 65 make ends meet; and
- Make technical improvements to allow the state to pay the EITC out in regular advance payments in the future.

PCA Oregon partners with over 40 community-based organizations, state agencies, and advocacy coalitions to actualize our vision for an Oregon where all kids and families are living happy and purposeful lives with hope for the future. This vision can not be achieved if our youngest Oregonians and their families do not have the economic and concrete supports required to meet their basic needs.

Working families and individuals across Oregon are grappling with economic insecurity, exacerbated by rising prices. When families don't have access to necessary support at critical moments, Oregonians and our state systems ultimately bear the burden through increased costs (eg. healthcare expenses, allegations of abuse/neglect, etc.). Investing in upstream prevention strategies and ensuring families have access to the resources they need when they need them is not only more compassionate, but also far more cost-effective than addressing the fallout of these challenges later on.

The most direct way to support Oregonians is to provide the resources they need and deserve to afford rent, food, and other basic needs. Strengthening Oregon's Earned Income Tax Credit would be an effective and efficient way to deliver resources to families struggling to make ends meet.

Please support Oregon's working families and advance HB 2958.

Sincerely,

*Nicole Cunningham*

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*Executive Director*

Prevent Child Abuse Oregon