

TO: House Committee on Early Childhood and Human Services
FROM: Loren Naldoza
RE: HB 2958
DATE: February 25, 2025



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

Thank you for the opportunity to submit this written testimony in support of HB 2958, which would make meaningful expansions to Oregon’s earned income credit (EIC/EITC).

Oregon Food Bank’s mission is “to eliminate hunger and its root causes *because no one should be hungry.*” We pursue this goal in two key ways: we foster community connections to help people access nutritious food today, and we advocate to change harmful policies that drive hunger and poverty. Unfortunately, hunger in Oregon continues to be on the rise. Last year alone, there were 2.5 million visits to Oregon Food Bank’s network of free food markets, food pantries, and meal sites. This represents a 31 percent increase in visits across our network. At a time when more Oregonians are experiencing hunger, we urge the Legislature to pass measures that expand families’ financial security, and that eliminate root causes of hunger.

Oregon’s Earned Income Credit is a valuable resource for low-income families.

Today, Oregon faces concurrent housing and cost-of-living crises that have contributed to rising food insecurity in recent years. Roughly 138,000 renter households in Oregon (or 22 percent) have extremely low incomes, with a household total income at or below the federal poverty line, or 30 percent of their area median income (AMI).¹ Oregon also has a shortage of over 100,000 rental homes that are affordable and available for households with extremely low incomes. Due in part to this shortage, the annual household income needed to afford a two-bedroom rental home is roughly \$62,000.² These housing and cost-of-living crises often impact many communities across the state in disproportionate ways. For example, among children in Oregon, in the 2022–23 school year, an estimated 21,478 children enrolled in Oregon’s school districts—approximately 3.9 percent of all students in the state—experienced homelessness.³

¹ National Low Income Housing Coalition, “Housing Needs by State, Oregon,” <https://nlihc.org/housing-needs-by-state/oregon>.

² *Id.*

³ Greene, J. et al., “2023 Oregon Statewide Homelessness Estimates,” Portland State University Homelessness Research & Action Collaborative (Jan. 2024) at 4. See also SchoolHouse Connection, “Infant & Toddler Homelessness Across 50 States: 2021–2022” (Mar. 20, 2024), <https://schoolhouseconnection.org/infant-and-toddler-homelessness> (estimated total population of Oregon children aged 0–3 experiencing homelessness is 5,392, or 3.31 percent of all infants and toddlers).

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Because these ongoing housing and cost-of-living crises continue to contribute to housing instability and food insecurity, we should continue to invest in resources that serve families that are most-at risk of having to choose between putting food on the table or paying for housing. Oregon’s Earned Income Credit (EIC) is one such program that provides life-changing resources that assist working families across Oregon who are struggling with economic insecurity. In recent tax years, Oregonians claimed—on average—\$2,000 in federal credits. For families with children, the average credit was roughly \$3,000.⁴

For years, Oregon’s EIC has provided a small state match to the federal EITC ranging from 9–12 percent. Because this credit is so well-suited to serving both households with the lowest incomes and households with children, it is highly deserving of an expansion. HB 2958 would expand the value of the Oregon EIC by:

- [1] expanding the state match of the federal EITC to 20–25 percent,
- [2] allowing the availability of Oregon’s EIC to people under the age of 25 and ages 65 and over, and
- [3] protecting refunds generated from the EIC from garnishment.

Oregon Food Bank urges your support of HB 2958.

Sincerely,

Loren Naldoza
Oregon Food Bank

⁴ Oregon Center for Public Policy, *Oregon is the Last in the Nation in EITC Participation, Underscoring Need to Simplify Tax Filing*, <https://www.ocpp.org/2024/05/16/oregon-last-eitc-participation/>.

