

DATE: February 25, 2025

TO: Senator Lisa Reynolds, MD, Chair; and Members of the Senate Committee on Early Childhood & Behavioral Health

FROM: Jennifer McCall, DO, FAAP
On behalf of the Oregon Pediatric Society

SUBJECT: Support for SB 694 – Oregon Child Tax Credit

My name is Jennifer McCall; I am a newborn hospitalist living and working in Portland, and a member of the Oregon Pediatric Society. We strongly support HB 3235, which would enhance the Oregon Kids Credit, and help alleviate child poverty in our state.

The US spends more on health care than any other developed nation, but we have poorer health outcomes.¹ A recent meta-analysis of peer-reviewed literature demonstrates that interventions in the areas of housing, **income support**, and nutritional support have improved health outcomes², which can lead to a better quality of life for those involved, not to mention an overall decrease in health care expenses.

A recent study was published looking at the impact of the Child Tax Credits (CTC) given during the COVID pandemic on the mental health of both adults and children. The study showed that the CTC not only alleviated food insufficiency, but it also improved mental health in both age groups, especially in the most marginalized.¹¹ Through the CTC, people were given a small amount of breathing room, leading to improved mental health, which is really remarkable. When more of the basic necessities of life are covered, levels of stress are reduced, and people can go beyond survival and even thrive.

Another ongoing study is looking at the brain activity of infants after their mothers are given either a small or large monthly monetary gift for up to the child's age five. The results after the first year of income intervention have been published, and they are quite promising. The areas of children's brains associated with thinking and learning were more active in the group receiving the large gift.³ By alleviating financial stressors, mothers are able to focus their energies more fully on their infants, changing the dynamics in which they interact. These

¹ The Commonwealth Fund <https://www.commonwealthfund.org/publications/issue-briefs/2023/jan/us-health-care-global-perspective-2022#:~:text=In%202021%2C%20the%20U.S.%20spent,higher%20than%20in%20South%20Korea.>

² Leveraging the Social Determinants of Health: What works? <https://doi.org/10.1371/journal.pone.0160217>

³ The Impact of Poverty Reduction Intervention on Infant Brain Activity. <https://doi.org/10.1073/pnas.211564911>



Oregon Pediatric Society

A Chapter of the American Academy of Pediatrics. Incorporated in Oregon

increased positive interactions lead to increased activity in the areas of the brain associated with language, cognitive, and social-emotional development. A cultural shift upstream like this could positively affect the downstream problems people contend with today—like addiction and mental health problems—by improving early childhood development.

The Oregon Pediatric Society and I urge you to expand the State's financial support of the Oregon Kids Credit, which focuses on 0 to 5-year-olds. SB 694 will lead to better early childhood and family health, lower health care costs long-term, and improvements in the overall mental health and robustness of our State. Thank you for your consideration.