



House Committee on Revenue
Testimony in Support of HB 2958
Andrea Meyer, Director of Government Relations
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AARP is pleased to support HB 2958. AARP is the nation's largest nonprofit, nonpartisan organization dedicated to empowering Americans 50+ to choose how they live as they age. AARP Oregon advocates on issues important to our more than 500,000 Oregon members with a focus on health security, financial resilience and livable communities.

HB 2958 removes the upper age cap on the Earned Income Tax Credit (EITC). Eliminating the age cap will help older workers who remain in the workforce and end an arbitrary and arguably discriminatory tax increase on lower-income workers who turn 65 while still on the job. According to the Urban Brookings Tax Policy Center, if the age restrictions were removed, an estimated 16,500 older Oregonians would become EITC recipients.

Workers age 65-plus represent the fastest-growing segment of the labor force. The EITC was enacted in 1975 as a temporary program and while there isn't much legislative history on why there was an age cap it was enacted at a time when Social Security retirement and access to employer pension programs began at age 65.

Today, the age restriction does not reflect changing socioeconomic realities and policy landscape, such as Social Security's rising full-retirement age (nearly 67 for a typical worker retiring today), declining overall retirement security, and historically high inflation. Many workers 65 and over are in the labor force because they do not have enough retirement income. According to a [2022 study](#) by the Transamerica Center for Retirement Studies, almost half of workers born between 1946 and 1960 expect to work past age 70 or do not plan to retire at all. Eighty-two percent of them cite financial reasons for doing so. Indeed, workers age 65+ have [represented](#) the fastest-growing segment of the labor force in recent decades. At a bare minimum, these workers deserve the same support as their younger counterparts, for many depend on the income they earn.

At the same time, data shows that the EITC has an added benefit of bringing in revenues to businesses, states and local communities, which has a ripple effect throughout the economy. These dollars help to sustain local companies and workers by creating jobs, wages, and salaries immediately and in the future. This bill is a true win-win.

For these reasons, we urge passage of HB 2958.