



Child Care That Works. For Every Family.

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

On behalf of the Child Care for Oregon Coalition, a coalition of nonprofit organizations, labor unions, community advocates, parents, caregivers, and providers working to build a comprehensive early learning and child care system in Oregon, we strongly urge your support of House Bill 2958.

House Bill 2958 expands the Earned Income Tax Credit (EITC), which is a critical tool for supporting working families and enhancing economic security. The EITC provides a crucial financial boost to low- and moderate-income working parents and caregivers, helping them make ends meet and achieve economic stability. By expanding access to the EITC, HB 2958 will:

- **Boost Economic Security:** The EITC provides essential financial relief, helping families cover basic needs and work toward long-term financial stability.
- **Support Child Care Affordability:** EITC is especially important for families with young children struggling to cover the cost of child care. By offering a tax credit, the EITC helps offset the high costs of child care, making it more accessible for working parents and caregivers.
- **Promote Workforce Participation:** The EITC encourages work by rewarding low-income individuals for their labor, increasing workforce participation and reducing poverty rates among families with children.
- **Reduce Poverty and Income Inequality:** By targeting support to those who need it most, the EITC effectively reduces poverty and narrows income inequality, particularly benefiting communities of color and single-parent households.
- **Invest in Children's Future:** Supporting working parents through the EITC directly benefits children by fostering a stable home environment and increasing opportunities for their success in school and beyond.

As a coalition, we have seen firsthand the transformative impact that economic stability has on families and communities. HB 2958 is an investment in Oregon's children, workforce, and economic future.

In conclusion, we urge you to support House Bill 2958. This legislation will provide vital financial relief to families, enhance child care affordability, and promote economic resilience. Expanding the EITC is a proven strategy to lift families out of poverty and build a stronger, more equitable Oregon.

Thank you for considering our testimony.



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Sincerely,



Oregon Association for the Education of Young Children

