

March 3, 2026

**RE: In support of H7127- Article 5 -Rhode Island Child Tax Credit**

Dear Chairman Abney, Vice Chairs Slater and Marszalkowski, and members of the House Finance Committee,

On behalf of the Rhode Island Coalition for Children and Families (RICCF), I am writing in support of establishment of a **refundable Rhode Island Child Tax Credit** and to thank Governor McKee for including this important policy in his FY2027 budget proposal. This proposal represents one of the most direct and evidence-based strategies to reduce child poverty, support working parents, and strengthen Rhode Island families.

Direct economic support is especially urgent as families face cuts in the federal safety net. Reductions and eligibility changes affecting programs such as SNAP, Medicaid, housing assistance, and more are causing great stress for Rhode Island families. Child tax credits remain among the most effective policy tools for reducing child poverty and improving family financial stability.<sup>1</sup> Research consistently shows that direct cash assistance helps families meet basic needs, stabilize housing, and invest in children's development. Economic inequality and low wages continue to shape outcomes for Rhode Island families, with longstanding structural barriers disproportionately affecting families of color.<sup>2 3</sup> A robust state credit would help offset these risks by putting flexible resources directly in families' hands.

New analyses from the Policy Impact Calculator developed by the Prenatal-to-3 Policy Impact Center @Vanderbilt University demonstrate how various models and levels of support assist families. Their recent presentation to the Rhode Island House and Senate demonstrated the level at which a refundable state credit would deliver the most meaningful support to those most likely to benefit. We therefore support the expanded proposal of a \$650 per child benefit sponsored by Representative Teresa Tanzi and Senator Lammis Vargas.

Evidence from prior expansions of the federal child tax credit demonstrates improvements in children's health, educational attainment, and future earnings, while reducing parental stress and financial hardship.<sup>4</sup> These benefits extend beyond individual families, strengthening workforce participation and long-term economic growth.

For RICCF, this proposal is also a child well-being and prevention strategy. Research shows that financial hardship is a significant driver of child welfare involvement, particularly neglect.<sup>5</sup> Nationally, the majority of maltreatment reports stem from neglect rather than abuse, and modest increases in family income have been associated with measurable reductions in reports of neglect.<sup>6</sup> By reducing financial

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<sup>1</sup> <https://itep.org/state-child-tax-credits-2025/>

<sup>2</sup> <https://www.childtrends.org/publications/poverty-matters-childrens-well-being-policy>

<sup>3</sup> <https://economicprogressri.org/publications/the-state-of-black-families-in-rhode-island>

<sup>4</sup> <https://pmc.ncbi.nlm.nih.gov/articles/PMC10882416/>

<sup>5</sup> <https://pmc.ncbi.nlm.nih.gov/articles/PMC10276351/>

<sup>6</sup> <https://pmc.ncbi.nlm.nih.gov/articles/PMC9865551/>

strain, a child tax credit can help keep families safely together and reduce costly downstream system involvement.

Establishing a credit of \$650 per child would build on national momentum and position Rhode Island alongside the dozen states so far that have adopted refundable child tax credits in addition to the federal credit to support families and reduce poverty.

Rhode Island has an opportunity to make a meaningful investment in its children and its future. RICCF commends the Governor for his leadership in proposing a refundable RI refundable Child Tax Credit, while supporting an increase in the the proposal to \$650 per child to provide immediate relief to families, reduce poverty, and improve long-term outcomes for children across the state.

We thank you for your consideration and respectfully urge your support for a Rhode Island Child Tax Credit.

Respectfully,

A handwritten signature in cursive script, reading "Tanja Kubas-Meyer".

Tanja Kubas-Meyer  
Executive Director