

April 7, 2026

The Honorable Louis P. DiPalma
Chair, Senate Finance Committee
Rhode Island State House
Providence, RI 02903

RE: In support of S2823 State Child Tax Credit

Dear Chairman DiPalma and Honorable Members of the Committee,

On behalf of the Rhode Island Coalition for Children and Families (RICCF), I am writing in strong support of the budget proposal to establish a **refundable Rhode Island Child Tax Credit** and to thank **Governor McKee** for including this important policy in his FY2027 budget proposal. At a time when families across the state continue to face rising costs for housing, food, and child care, this proposal represents one of the most direct and evidence-based strategies to reduce child poverty, support working parents, and strengthen Rhode Island's long-term economic outlook.

Direct economic support is especially urgent as families navigate ongoing uncertainty in the federal safety net. Reductions and eligibility changes affecting programs such as SNAP, Medicaid, housing assistance, and more are stressing Rhode Island families. Child tax credits remain among the most effective policy tools for reducing child poverty and improving family financial stability.¹ 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.^{2 3} 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, demonstrate how various models and levels of support assist families and a group of legislators and community advocates have concluded that a **refundable state credit of \$650 per child** would deliver meaningful support to those most likely to benefit. We therefore support the expanded proposal sponsored by Representative Teresa Tanzi and Senator Lammi 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.⁴ These benefits extend beyond individual families, strengthening workforce participation and long-term economic growth.

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

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

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

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


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.⁵ 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.⁶ By reducing financial 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 this 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 increasing 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 adequate to benefit the majority of families in our state.

Respectfully,



Tanja Kubas-Meyer

Executive Director

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

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