

March 21, 2020

Speaker Tina Kotek  
President Peter Courtney  
Representative Paul Holvey  
Senator Arnie Roblan  
Members of the Joint Special Committee on Coronavirus Response

Dear Speaker Kotek, President Courtney, and Legislative Leadership,

The Oregon Individual Development Account (IDA) Initiative helps build hope for Oregonians with low incomes by providing matched savings opportunities, information about financial systems, and coaching that meets people where they are at and supports their financial goals. IDA savers bring their own motivation and hard-earned resources, and the Initiative multiplies their dollars. Our savers buy homes, start businesses, go to trade school or college, or meet another financial goal that helps set them on a more stable financial footing. For twenty years, this has been one of Oregon's best, if underfunded, tools to improve financial prospects for individuals and families living on low incomes. Neighborhood Partnerships is privileged to serve as manager of this program under the leadership of Oregon Housing and Community Services.

The partners of the Oregon Individual Development Account Initiative would like to request that Oregon Housing and Community Services be given additional flexibility in the use of currently held state matching funds in order to better respond to the needs of our communities during the Coronavirus pandemic and in the period of economic upheaval and recovery that will follow. The change we are suggesting could mean that potentially as much as \$11 million of currently available funds could be utilized under this provision to have an immediate impact on our communities.

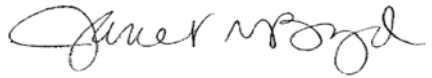
We are requesting two statutory changes:

- The uses of Individual Development Account match funds are defined in statute at ORS 458.685 (a) through (m). We would like to add an additional category to this list -- "Establishing emergency savings or meeting critical financial needs during a period of serious financial hardship (such as unemployment, medical leave, economic downturn) to promote financial stability and protect existing assets." as an acceptable use of match funds. This will allow IDA Initiative providers to support clients who have been actively saving towards a life goal as they navigate the current and upcoming crisis periods in their lives, with funds helping to avoid displacement, debt burdens, fees, and other hardships that have long lasting impacts.
- We would also like to have ORS 458.685 (2)(b) deleted. This part of statute which requires repayment of emergency withdrawals of savers' funds within twelve months would be punitive to savers.

Our data shows that IDAs serve Oregonians who will be hardest hit by the financial hardships that the spread of Coronavirus will create. The IDA Initiative works through a network of community based partners and serves Oregonians in all parts of the state. Our community based providers reach

economically vulnerable Oregonians with very low incomes, urban and rural Oregonians, and Oregonians of all races and ethnicities.

Thank you for your work on behalf of Oregon communities, and for your swift and thorough action to help protect our communities from the social and financial upheavals that the Coronavirus will create.

A handwritten signature in black ink, appearing to read "Janet Byrd". The signature is fluid and cursive, with the first name "Janet" written in a larger, more prominent script than the last name "Byrd".

Janet Byrd  
Executive Director, Neighborhood Partnerships