



### Member Organizations

211 Info  
AFSCME Local #3135  
Alliance for Family & Housing Success  
Bienestar  
CASA of Oregon  
Central City Concern  
City of Eugene  
City of Gresham  
City of Portland  
City of Tigard  
Clackamas Community Land Trust  
Clackamas County  
Clackamas Housing Action Network  
Coalition for a Livable Future  
Community Action Partnership of Oregon  
Community Action Team, Inc.  
Community Alliance of Tenants  
Community Housing Fund  
Community Partners for Affordable Housing  
Ecumenical Ministries of Oregon  
Enterprise Community Partners  
Fair Housing Council of Oregon  
Habitat for Humanity of Oregon  
Hacienda CDC  
Housing Advocacy Group of Washington Co.  
Housing Development Center  
Human Solutions  
Impact Northwest  
JOIN  
Lane County Legal Aid and Advocacy Center  
League of Women Voters of Oregon  
Lincoln County  
Metro  
NAYA Family Center  
Neighborhood Economic Development Corp.  
Neighborhood Partnerships  
NeighborWorks Umpqua  
Network for Oregon Affordable Housing  
Northwest Community Land Trust Coalition  
Northwest Housing Alternatives  
Northwest Pilot Project  
Oregon Action  
Oregon Food Bank  
Oregon Housing Authorities  
Oregon Opportunity Network  
Partners for a Hunger-Free Oregon  
Portland Community Reinvestment Initiatives, Inc.  
Proud Ground  
Raphael House of Portland  
REACH CDC  
Rose CDC  
St. Vincent DePaul of Lane County  
Shelter Care  
Sisters Of The Road  
Street Roots  
Transition Projects  
Washington County  
Willamette Neighborhood Housing Services

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## Testimony in Support of HB 2850

House Human Services & Housing Committee  
March 13, 2013

Members of the House Human Services & Housing Committee  
900 Court Street, NE, Room 453  
Salem, OR 97301

Dear Chair Tomei, Vice-Chair Olson, Vice-Chair Gomberg and Members of the Committee:

I am writing to you today in support of HB 2850, which will both extend the sunset on the Earned Income Tax Credit, and expand it to 18% of the federal credit.

The Housing Alliance is a coalition of organizations serving all parts of Oregon. We are concerned about the availability of safe, decent and affordable housing for all Oregon residents, particularly residents who have limited incomes. We come together as a coalition because we know the importance of a stable home in affording Oregonians the ability to maximize their potential and build better futures for themselves and their loved ones. Through our coalition, we work with families and community organizations across the state, including non-profit tax preparers, and bring their experiences to share with you today.

The Earned Income Tax Credit, or EITC, is a tax credit which provides pathways out of poverty for working families with low incomes. Today in Oregon, too many hardworking parents don't earn enough to pay rent and put food on the table for their children. Nearly half of renters can't afford a two bedroom apartment at market rate. Families in our community don't have access to opportunity and pathways out of poverty, and too often, one small event such as a health emergency or car repair bill can trigger a series of shortfalls and lead to crisis. The EITC helps pave the way to stable housing, improved school performance, better health, and a way out of poverty.

The modest amount most families receive through the EITC might allow them to pay down debt, put aside funds for emergencies, or pay rent for nearly three months. It might allow them provide their children with an educational opportunity or summer school. Families may also use the EITC to make a needed car repair—helping them ensure they have adequate transportation to keep working. Other families use the refund to access education or training opportunities to secure a promotion at work.

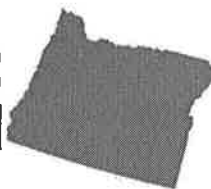
Studies have shown that the EITC can help improve health outcomes for kids and adults; boost kids' school performance and impact future success; and increase housing stability. These small amounts of funds have ripple effects across the family and across generations because they decrease stress related to housing and economic instability.

We urge you to extend and expand the Earned Income Tax Credit, and to continue to open up access to opportunity by helping hardworking families save money and build assets. Thank you for your time and consideration.

Alison McIntosh  
On Behalf of the Housing Alliance



# STATE PROFILE: OREGON

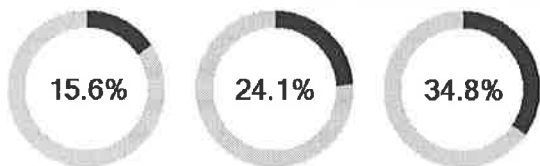


expanding economic opportunity

## ASSETS & OPPORTUNITY SCORECARD

The recession's lingering effects have taken an enormous toll on Oregon families. Fully 15.6% of state residents live in poverty and far more are financially vulnerable. The 2013 *Assets & Opportunity Scorecard* found that 34.8% of Oregon households are liquid asset poor, which means that they have less than three months of savings to fall back on in the event of a job loss, health crisis or other income-disrupting emergency. Additionally, 24.1% are asset poor, meaning that the assets that they do have—whether a savings account or durable assets such as a home, business or car—are overwhelmed by debt.

INCOME POVERTY    ASSET POVERTY    LIQUID ASSET POVERTY



Asset poverty in Oregon is 1.5 times higher than income poverty and liquid asset poverty is 2.2 times higher.

### WHAT OREGON CAN DO

- **Expand Refundable Earned Income Tax Credit:** To help low-wage workers afford food and other necessities, Oregon should extend the Oregon state EITC, which is set to expire at the end of 2013, and increase the value of the credit to 18% of the federal credit.
- **Preserve Homeownership:** To increase homeownership rates, lower the housing cost burden and prevent foreclosures, Oregon should continue to invest in its IDA programs and other proven strategies to support first-time homebuyers. The state should also strengthen foreclosure protection and prevention laws ensuring pre-foreclosure mediation by a neutral third party.
- **Increase Asset Limits for Oregon Individual Development Accounts (IDAs):** To avoid discouraging saving for retirement, Oregon should allow modest retirement savings for applicants to the Oregon IDA Initiative.

### ABOUT THE SCORECARD

The *Assets & Opportunity Scorecard* is a comprehensive look at Americans' financial security today and their opportunities to create a more prosperous future. It assesses the 50 states and the District of Columbia on 102 outcome and policy measures, which describe how well residents are faring and what states can do to help them build and protect assets. These measures are grouped into five issue areas: Financial Assets & Income, Businesses & Jobs, Housing & Homeownership, Health Care, and Education.

For a complete description of *Scorecard* measures and sources, including how the grades and rankings were assigned, go to <http://scorecard.cfed.org>.

### KEY HIGHLIGHTS

# 24%

of Oregon households live in asset poverty

# 51%

of Oregon consumers have subprime credit

# 16%

of jobs in Oregon are low-wage jobs

# 41%

of homeowners in Oregon are cost burdened

# 18%

of people in Oregon are uninsured

# 29%

of adults in Oregon have at least a 4-year college degree

Published January 2013

## OREGON

OVERALL RANK: 24

The *Scorecard* ranks 53 outcome measures from best to worst; #1 is the most desirable, #51 is the least desirable. Data for an additional 16 measures are published, but states are not ranked on these measures due to insufficient data at the state level. Issue area ranks and grades are calculated by averaging the ranks of measures within the issue area. Grades for issue areas are given on a curve: 10 states get As, 10 get Bs, 16 get Cs, 10 get Ds and 5 get Fs. The overall rank is calculated by ranking the sum of the issue area ranks.

## FINANCIAL ASSETS &amp; INCOME

ISSUE AREA RANK: 14 | GRADE: B

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Income Poverty Rate	15.6%	14.6%	35
Asset Poverty Rate	24.1%	26.0%	—
Asset Poverty by Race	—	2.1 x higher for HHs of color	—
Asset Poverty by Gender	1.7 x higher for single women	1.1 x higher for single women	—
Asset Poverty by Family Structure	—	2.2 x higher for 1-parent HHs	—
Liquid Asset Poverty Rate	34.8%	43.9%	12
Liquid Asset Poverty by Race	—	1.8 x higher for HHs of color	—
Liquid Asset Poverty by Gender	1.47 x higher for single women	1.09 x higher for single women	—
Liquid Asset Poverty by Family Structure	—	1.9 x higher for 1-parent HHs	—
Extreme Asset Poverty Rate	16.6%	17.5%	—
Net Worth	\$89,549	\$68,948	—
Net Worth by Race	—	10.3 x higher for white HHs	—
Net Worth by Income	—	68 x higher for top 20%	—
Net Worth by Gender	—	1.18 x higher for single men	—
Net Worth by Family Structure	—	22 x higher for 2-parent HHs	—
Unbanked Households	4.3%	8.2%	8
Underbanked Households	14.4%	20.1%	5
Households with Savings Accounts	80.0%	69.2%	5
Consumers with Subprime Credit	51.2%	56.4%	16
Borrowers 90+ Days Overdue	3.75%	4.33%	19
Average Credit Card Debt	\$10,561	\$10,736	30
Bankruptcy Rate (per 1,000 people)	4.4	4.4	30

## BUSINESSES &amp; JOBS

ISSUE AREA RANK: 12 | GRADE: B

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Microenterprise Ownership Rate	15.7%	16.7%	30
Small Business Ownership Rate	1.55%	1.34%	12
Business Ownership by Race	1.5 x higher for white workers	1.5 x higher for white workers	17
Business Ownership by Gender	1.1 x higher for men	1.3 x higher for men	6
Business Value by Race	2.2 x higher for white bus. owners	2.6 x higher for white bus. owners	14
Business Value by Gender	2.7 x higher for men	2.6 x higher for men	25
Business Creation Rate (per 1,000 workers)	11.0	9.2	16
Private Loans to Small Business	\$1,252	\$1,148	16
Unemployment Rate	9.4%	8.9%	35
Unemployment by Race	1.4 x higher for people of color	1.7 x higher for people of color	6
Underemployment Rate	17.5%	15.9%	42
Low-Wage Jobs	15.9%	21.5%	12
Average Annual Pay	\$44,195	\$48,043	33
Retirement Plan Participation	48.3%	44.6%	24
Employers Offering Health Insurance	47.8%	51.0%	32

**HOUSING & HOMEOWNERSHIP****ISSUE AREA RANK: 46 | GRADE: D**

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Homeownership Rate	60.8%	64.6%	45
Homeownership by Race	1.5 x higher for white HHs	1.6 x higher for white HHs	30
Homeownership by Income	2.6 x higher for top 20%	2.2 x higher for top 20%	43
Homeownership by Gender	1.09 x higher for single women	1.01 x higher for single women	—
Homeownership by Family Structure	2 x higher for 2-parent HHs	1.9 x higher for 2-parent HHs	40
Foreclosure Rate	3.86%	4.27%	36
Delinquent Mortgage Loans	2.12%	3.04%	14
High-Cost Mortgage Loans	1.09%	2.47%	13
Affordability of Homes (value/income)	5 x higher than median income	3.4 x higher than median income	46
Housing Cost Burden - Homeowners	41.2%	36.9%	44
Housing Cost Burden - Renters	55.5%	53.4%	45

**HEALTH CARE****ISSUE AREA RANK: 27 | GRADE: C**

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Uninsured Rate	18.2%	17.3%	35
Uninsured by Race	1.8 x higher for people of color	2 x higher for people of color	20
Uninsured by Income	3.3 x higher for poorest 20%	3.5 x higher for poorest 20%	19
Uninsured by Gender	1.1 x higher for men	1.2 x higher for men	17
Uninsured Low-Income Children	9.9%	10.7%	30
Uninsured Low-Income Parents	38.0%	34.5%	39
Employer-Provided Insurance Coverage	55.9%	57.4%	34
Employee Share of Premium	25.8%	26.4%	20
Out-of-Pocket Medical Expenses	19.5%	16.2%	—

**EDUCATION****ISSUE AREA RANK: 21 | GRADE: C**

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Early Childhood Education Enrollment	17.8%	28.2%	35
Math Proficiency - 8th Grade	32.7%	34.7%	30
Reading Proficiency - 8th Grade	32.7%	33.5%	30
High School Degree	89.4%	85.9%	18
Two-Year College Degree	37.5%	36.3%	21
Four-Year College Degree	29.3%	28.5%	18
Four-Year Degree by Race	1.6 x higher for white adults	1.6 x higher for white adults	26
Four-Year Degree by Income	3.5 x higher for top 20%	4.6 x higher for top 20%	10
Four-Year Degree by Gender	1.02 x higher for men	1.01 x higher for men	—
Average College Graduate Debt	\$25,497	\$26,600	28
College Graduates with Debt	63%	66%	26
Student Loan Default Rate	13.0%	13.4%	33

For a complete description of *Scorecard* measures and sources, including how the grades and ratings were assigned, go to <http://scorecard.cfed.org>.

-- = "Not Available." Data or ranks are not available because insufficient or unreliable data exist for the state.

N.R. = "Not Ranked." These data are not ranked because the estimate or rank is too imprecise to say with confidence how the state compares to other states.





## POLICY RATINGS

The *Scorecard* includes 33 policy measures: 12 priority policies and 21 additional policies. For policy priorities, states are assessed against criteria for what constitutes a strong policy. Taken together, these policies provide a comprehensive view of what states can do to help residents build and protect assets. Policy priority data are current as of September 2012; additional policy data are drawn from the latest published reports, usually 2011-2012.

-  Very strong policy
-  Strong policy, but some room for improvement
-  Some policy, but much room for improvement
-  Minimal policy in place
-  No policy in place

## FINANCIAL ASSETS & INCOME

### Policy Priorities



-  Tax Credits for Working Families
-  State IDA Program Support
-  Lifting Asset Limits in Public Benefit Programs
-  Protections from Predatory Short-Term Loans

### Additional Policies

- Income Tax Threshold ... \$17,000
- Tax Burden by Income ... The poorest 20% of families pay 1.2 times more of their income in taxes than the top 1% of families
- Prize-Linked Savings ... Prize-linked savings not allowed
- Paperless Payday ... Paperless payday not permitted

## BUSINESSES & JOBS

### Policy Priorities



-  State Support for Microenterprise
-  Job Quality Standards

### Additional Policies

- Unemployment Benefit Level ... 35.8% of average weekly wage
- Unemployment Benefit Eligibility ... Uses alternative base period; Benefits for compelling family reasons; Part-time workers not covered
- Incentives for Employee Ownership ... WIA-funded feasibility studies; Direct state assistance
- Loans for Beginning Farmers ... No state policy

## HOUSING & HOMEOWNERSHIP

### Policy Priorities

-  Foreclosure Prevention and Protections
-  First-Time Homebuyer Assistance

### Additional Policies

- Housing Trust Funds ... Has statewide housing trust fund
- Preservation of Affordable Rental Housing ... 20.7% of LIHTC for preservation
- Tenant Protections from Foreclosure ... Has protections beyond federal law
- Property Tax Relief ... Circuit breaker for renters; Tax deferment
- Resident Ownership of Manufactured Housing Communities ... Medium strength protections; 10 days closure notice and opportunity to purchase; Tax incentive to sell to homeowners

## HEALTH CARE

### Policy Priorities




-  Access to Health Insurance

### Additional Policies

- Expanded COBRA Coverage ... COBRA expansion for 9 months
- Healthcare Information Databases ... In implementation

## EDUCATION

### Policy Priorities

-  Access to Quality K-12 Education
-  Financial Education in Schools
-  College Savings Incentives

### Additional Policies

- State-Funded Head Start ... \$49,946,739 in supplemental funds
- Quality of State Pre-K Programs ... Established state program; \$8,454 per child enrolled; 8 of 10 quality standards met
- Kindergarten Standards ... Full Day Kindergarten; separate standards; no certificates or training required for teachers
- State Financial Aid for Postsecondary Education ... \$114 per student; 100% need-based
- TANF-Funded Workforce Training ... 7.63% of funds spent on training
- WIA-Funded Workforce Training ... 1.8% of participants received training