

Testimony in Support of SB849
Submitted by: Pamela Leavitt, Northwest Credit Union Association
March 22, 2017

Good afternoon Chair Beyer and members of the committee, my name is Pam Leavitt and I represent the Northwest Credit Union Association. The Northwest Credit Union Association represents the 65 state and federally-chartered credit unions in Oregon, with 2 million Oregonians as members.

We are here today in support of SB849 which creates the Oregon First-Time Home Buyer Savings Account Act and allows individuals to create first-time home buyer savings account with financial institution to pay or reimburse qualified beneficiary's eligible costs for first-time purchase of single family residence.

Credit unions are not-for-profit financial cooperatives, organized to meet the needs of their members. As locally-owned, not-for-profit financial institutions, a credit union's social mission is as highly valued as its financial mission. Fostering the development of financially sound communities through home ownership has always been a core objective for Oregon's credit unions. Here are some points we would like to make:

- Home ownership is the bedrock of economic stability for many Oregonians. Increasingly credit union members are coming in and qualifying for a single family home loan that just a couple of years ago would have been sufficient to purchase a home and build economic stability. Unfortunately, the economic stability that home ownership provides is increasingly out of reach for many low to moderate income families.
- To assure a financially informed and knowledgeable membership in credit unions, our members conducted seminars, participated in community events, conducted education-based campaigns, provided online financial resources, and supported area non-profit organizations. One example is OnPoint Community Credit Union Mortgage Loan Officers hosted monthly home buying seminars. These events allowed members to learn from the mortgage professionals at OnPoint about the home buying process and the resources available. A real estate agent was also on-site to answer questions.
- This legislation will encourage credit union members to save for their first home by providing a tax benefit for savings that are put into a designated first time homebuyers savings account. While more needs to be done, this legislation is a step in the right direction.

- The benefits of homeownership go beyond economic stability, children benefit by having a stable home environment, communities benefit with families taking pride in ownership and investing in up keep, and home ownership builds wealth through equity gained in appreciation, savings as the mortgage is paid down, and the tax benefit of the mortgage interest deduction.
- Credit unions are keenly aware of the housing crisis as we hear it every day from our members. HB849 is part of the solution, encouraging families to save and invest in their futures.

Thank you.