

June 11, 2019

RE: Support for Oregon IDA Initiative

Chair Hass, Chair Nathanson, and members of the Joint Committee on Tax Expenditures,

Children First for Oregon represents the interests of Oregon's almost 875,000 children and believes that together, with communities and leaders across the state, we can build a state where all children thrive.

About 1 in 5 Oregon children live in poverty. That's a sobering fact. This rate is higher than it was during the last recession in 2009 (20.3% in 2019 compared to 19.2% in 2009). Individual Development Accounts (IDAs) are an effective tool so low-income workers can develop financial skills as they work towards a defined goal to allow them to build assets and earn their way out of poverty. The Oregon IDA program have demonstrated that it reaches rural Oregonians, people of color, and those with very low income. The majority of IDA savers are households with children, giving their parent the opportunity to earn their way out of poverty.

Among those who utilize IDAs are also foster youth. By expanding the availability of IDAs, we ensure more young people can build good financial habits and attain a goal that will help them become more independent.

For these reasons and others, expanding the Oregon Individual Development Account Initiative is included in the 2019 Children's Agenda and we urge your support.

Sincerely,

James Barta  
Strategic Director

Together we can build an Oregon where all children thrive.