



February 4, 2020

Dear Chair Keny-Guyer, Vice-Chair Noble and Vice-Chair Williams, and members of the House Committee on Human Services and Housing,

I'm writing in support of HB 4003 which will help to minimize the racial disparities in home ownership across our State. CASA of Oregon is a statewide nonprofit affordable housing provider. Through our work developing farmworker housing, converting manufactured housing parks to resident ownership and administering Individual Development Accounts (IDAs), we have seen the value and significance that homeownership gives to a person, their family and community.

CASA has been working across Oregon, in collaboration with community partners, to increase homeownership amongst racial minorities by way of using IDAs. We find the IDA to be an effective way to increase minority homeownership opportunities because of its flexibility to be used for a variety of home types as well as its ability to be used statewide. To date, CASA has provided IDA funds to over 300 minority homeowners and we have another 250 actively savings for their purchase.

HB 4003 has two items that will affect IDAs for which we want to voice our support. The first is accelerating the match from \$3000 per 12 months to \$6000 per 12 months. This change will allow savers to reach their goals faster and take advantage of dips in the housing market that benefit buyers. The second is a set aside of an additional \$2,000,000 to be used to provide IDAs, specifically to people of color and racial minorities. Historically, households of color have lower overall net worth, lower credit scores and lower wages. It takes longer for a household of color to prepare to purchase a home than its white counterpart, which means that by the time they commit to saving in an IDA, the vast majority of those resources have been committed to white households. Having a set aside will ensure that households of color are able to sign up and participate in the IDA without continually competing for access.

We would like to ask that the committee members vote yes to support HB 4003 and the recommendations pertaining to IDAs.

Thank you for all of your hard work this session, and thank you for your attention to IDAs and keeping them fully funded and available in Oregon.

Sincerely,

*Rebekah Bassett*

Rebekah Bassett

Family Economic Opportunity Program Director

CASA of Oregon

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