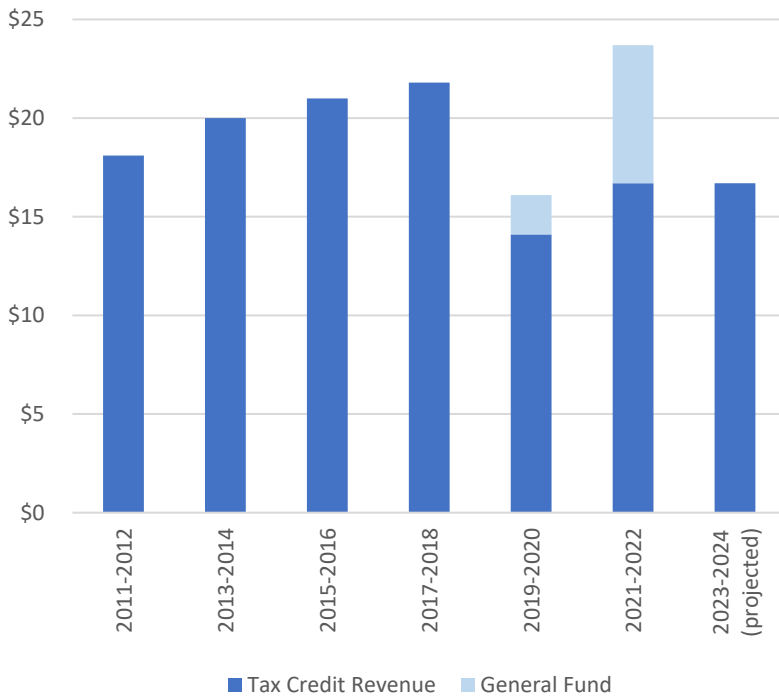


Individual Development Account (IDA) Initiative Funding, 2011 to 2024

IDA Funding (in millions \$)– Donations & General Fund



2011-2018:

- Donors receive IDA tax credit and claim the federal charitable contribution, resulting in net benefit for donors.
- Tax credit rate as low as \$.70/dollar; raise ~\$20M in revenue per biennium.
- The IDA Initiative enrolls more than 2,200 savers per biennia.

2019:

- Federal tax changes make credits less appealing to donors; \$2.1 million in tax credits unsold.

2020+

- Selling credits at \$.90/dollar results in selling out, but with max revenue of \$16.6M per biennium.
- The legislature allocates General Funds of \$2M in 2020 and \$7M in 2021 to offset losses from 2019 and address unmet program demand; these funds have been fully allocated to participants.
- The 2021 legislature increases the allowable annual match limit per participant from \$3,000 to \$6,000. This increase expedites participants' progress towards their goals and mitigates the impacts of rising costs of living.

2024:

- Given the reduced value of the tax credit, Neighborhood Partnerships seeks an appropriation of \$10M to keep service levels consistent with past years and provide a more sustainable investment in the IDA Initiative.
- Without general fund investment, new enrollments in the IDA Initiative will be limited to 1,600 savers in the 2023-2024 biennium, fewer than at any point in the last 12 years.

Number of IDA Participants Funded

