



DEVELOPING THRIVING COMMUNITIES

February 22, 2023

House Committee on Business and Labor  
900 Court Street NE  
Salem, Oregon 97301

**RE: Support for HB 2920**

Chair Holvey, Vice-Chair Elmer, Vice-Chair Sosa and Members of the Committee:

My name is Karen Saxe and I work for DevNW, a community development and asset building agency serving Lane, Linn, Benton, Lincoln, Marion and Clackamas Counties.

DevNW provides financial and housing education and counseling, paired with financial resources, throughout our six counties with the goal of helping low and moderate income families gain assets and build generational wealth. Despite the hard work from our clients, they often face historic and systemic barriers—one of which is the current credit system.

A history of redlining and predatory lending and a lack of access to banking and financial institutions have disproportionately affected communities of color from engaging with the credit system. Additionally, a lack of non-traditional payments (such as rent and utility payments) can hinder a person's engagement with the credit system resulting in not enough credit history to generate a score.

Given this, the link between credit score and insurance rates is problematic. The Consumer Federation of America's analysis of Oregon-based data shows that drivers pay a 52% penalty on average if they have a fair credit score instead of excellent credit, even if they have never had an accident, ticket or filed a claim. When a driver has poor credit that penalty jumps to 113% on average. In addition, Consumer Reports demonstrated that in Oregon, a driver with poor credit will pay \$525 more than a driver with excellent credit and a driving while intoxicated (DWI) conviction.

The need for safe, reliable and insured transportation is critical for our clients. As they are putting in the hard work to gain and maintain financial stability and build assets while facing skyrocketing housing and other costs it is imperative that we work to curb practices that have a disproportionately negatively impact on the most vulnerable

[devNW.org](http://devNW.org)



212 Main Street  
Springfield, OR 97477

P.O. Box 790  
Corvallis, OR 97339

528 Cottage Street NE, Suite 304  
Salem, OR 97301

421 High Street, Suite 110  
Oregon City, OR 97045



DEVELOPING THRIVING COMMUNITIES

amongst us. We support the goals of HB 2920 for the communities we serve.

Sincerely,

A handwritten signature in black ink, appearing to read "KSaxe".

Karen Saxe  
Director of Policy, Advocacy and Strategic Relationships  
DevNW