

March 1, 2023

SB 5511 IDAs

Dear Co-Chair Woods, Co-Chair Gomberg, and Members of the Committee:

My name is Judy Strand, CEO, Metropolitan Family Service, writing on behalf of SB 5511. I am writing today to show my full support of and in favor of robust investments for Individual Development Accounts. I ask for your help and support to ensure Oregon invests in the vitality of our communities, by supporting the Oregon Individual Development Account (IDA) Initiative's request for funding to support Oregonians in achieving the dream of homeownership, higher education, starting a business, and other goals.

At Metropolitan Family Service we have been able to support close to 100 clients in the IDA program save for education, a car, home repair, retirement and rental deposits. Through their participation in the matched savings program we have seen teens be the first in their family to attend college, working parents buy a new car and many people open their first retirement accounts. While these may seem like small steps to financial stability we have seen from so many of our clients the lasting impact this program has.

One client who shows this impact is Luis (not his real name). Luis recently completed the IDA program and now, at age 40, has his first retirement savings. Luis immigrated to the US five years ago and while he has worked the whole time he was not finding any way to set aside money for savings or retirement. As Luis shared, "I was able to educate myself and acquire the consciousness and preparation to be able to face my future and to be able to better manage my budgets and have something to count on once I can no longer work. The program helped me with three fundamental issues I had, first, it gave me the financial education which I wanted through the training that the different organizations provided me. This is where I learned how to manage my budget, how to create savings, and how to look for alternatives. Secondly, I was able to create the necessary discipline to consistently be able to save a little each month and be able to generate the necessary funds for my future and for my well-being. Third, I had access to those wonderful funds

for which I feel eternally grateful thanks to the state, which is now a good part of my retirement account.”

IDAs offer matched savings which can support families and communities facing the long-lasting financial impacts of COVID. IDAs can both help people keep from falling behind, and position people to stabilize and move forward as recovery begins. IDAs are one of the few existing tools we have to help meet urgent needs and support an equitable recovery from COVID-19 impacts. IDAs are already in place and ready to make a difference in our community.

We urge your support for a funding level of \$35 million, at least \$15 million of which should be dedicated to the program every biennium. IDAs a tested and trusted program that have helped build wealth and secure financial stability for decades in the State of Oregon.

We urge your support for continued and strong investments in this important program.

Thank you for your service, and for your attention to this critical request. Please let us know if you are interested in further information about this important work that drives equitable access to economic opportunity and helps Oregonians move their lives forward.

Respectfully submitted,



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