

Submitter: Tai McClure

On Behalf Of:

Committee: House Committee On Housing and Homelessness

Measure, Appointment or Topic: HB2735

Re: Support For HB 2735 -1

Chair Marsh, Vice-Chairs Anderson and Breese-Iverson, and Members of the Committee:

I am writing on behalf of [Your Organization or myself and my family to urge you to support HB 2735, with the -1 amendment. Please "Fix the Funding" for IDAs!

In 1999 the Legislature created Individual Development Accounts (IDAs). This matched-savings program provides participants with education and individualized support to reach their financial goals, including homeownership, home repair, higher education, purchasing a vehicle, starting a business, and retirement. The state matches

participants' own savings up to 5-to-1 to make their dreams a reality. Over 19,000 Oregonians have participated in this life-changing program over the past 25 years. However, the state tax credit that funds IDAs has not kept pace with inflation. While the

credit has been capped at \$7.5M per year since 2009, the cost of everything that IDA participants save for has increased precipitously. Each saver needs more funds from the program in order to be successful, yet the total funding has remained stagnant. If the Legislature does not act this year, the program will shrink by 50% and will only enroll

fewer than 500 people each year going forward. My first IDA was funded through MercyCorps NW where I saved \$2000 and was matched 3:1 to start a small business, a salon. My second IDA was funded through NAYA to go towards a down payment on our first house. We were matched 5:1 on this and have been in our house for 2 years now and my family enjoys the peace that comes with owning our home vs renting. My teenage daughters have always lived in apartments and now we are grateful every day for our forever home.

By passing HB 2735 -1, the Legislature can "Fix the Funding" and return the IDA program to solid financial footing. I urge you to pass this bill.

Sincerely,

Tai McClure