



101 NE FIRST STREET SUITE 100
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Co-Chairs Lieber and Sanchez and members of the committee,

My name is Lisa Dawson. I'm the Executive Director of the Northeast Oregon Economic Development District which serves Baker, Union and Wallowa counties and I live in Joseph. I provided some testimony during the Ways and Means Road Show in La Grande on April 11 but ran out of time and left you with a cliff hanger.

I request your support for either HB 2735 or HB 3809. Either bill will "fix the funding" for the Individual Development Account program. This program serves individuals throughout the state and without the fix funding will revert to the funding level established in 1999, and the number of individuals served will be reduced by 50%.

NEOEDD primarily provides IDAs for small businesses, but we also support savers in other asset classes (post-secondary education, vehicle purchase, and assistive technology and specialized training). Since 2008, we have supported 184 graduates, and we are currently supporting 16 savers. Demand for funding always exceeds the amount of funding available. Over 90% of our savers successfully complete the program and receive their matching funds.

Small business development often takes unexpected turns. In 2013, Eva Barnes started saving in an IDA to support her start-up home-based bakery. By 2016, when she was graduating from the program and accessing her IDA funding, her business plan was to open a storefront location in Enterprise so that she could free up her home from being overrun by bakery boxes, cooling cakes and cupcakes, and having her kitchen being used day and night for her baking business. She thought she would be able to have a small seating area and serve coffee and pastries and continue her custom- and wholesale baking business. Within weeks, she had to hire her first employee to provide customer service for walk-in customers. A few years later, her business location was purchased by a redeveloper, and he canceled her lease. He offered her a much larger location at a much higher cost in a building he had recently redeveloped. She was faced with a decision, move to a location with great visibility and higher costs or try to find a location similar in space and cost to her current location. She chose to expand. She expanded the bakery by adding a full-service breakfast and lunch menu, hired more employees and now operates one of the best restaurants in Enterprise, Sugar Time Bakery. She is a gifted manager and takes unskilled laborers and helps them grow into excellent employees who work as a team. She supports them if they decide to go into business for themselves. And she gives of her time to mentor

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new businesses who seek her advice and want to learn from her experiences. She is one of many success stories we could tell.

Another young mother who participated in the program ran a business with her husband in the small town of Richland. They owned a boat repair, rental and online boat parts supply business. When she finished the program, she told us that she learned that she could set a financial goal and save for the future – she was going to start saving for college for her children and maybe even retirement. She hadn't dreamed that saving money could be a possibility before establishing a regular savings pattern while saving in her IDA.

The IDA program is one of the best programs that I know of to help people set financial goals, reward initiative and asset-specific education, and to combat poverty. It also helps improve communities and economies by supporting small business development and diversification by locally-owned businesses.

Please “fix the funding” and ensure that Oregon continues to support savers statewide through the Individual Development Account program.

Thank you!