

Re: Support for Individual Development Accounts in SB 120 -1

Dear Co-Chair Nathanson, Co-Chair Meek, and Members of the Joint Committee on Tax Expenditures:

On behalf of the **Portland Community Reinvestment Initiatives (PCRI)**, please raise the cap on the tax credit that funds Individual Development Accounts (IDAs) to at least \$14M through SB 120 -1.

The Legislature created Individual Development Accounts in 1999. 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' 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, spanning every House and Senate district in the state.

As a homeownership counselor, I have worked with several people who were able to make home ownership a reality only because they had the IDA program. Often, it is the first financial agreement and promise that has come through for them. Not only do they gain knowledge about the importance of saving, but they also get into the habit of saving.

For myself, these funds will afford me the opportunity that my parents, grandparents, and great-grandparents were able to realize as Black Americans: homeownership. It isn't lost on me that the weight of my dollar is a lot less than my grandparents' dollars. I have made more in my lifetime than my great-grandparents for sure, but homeownership has been elusive. These funds will allow me, as a first-generation Oregonian, to make that dream come true.

The 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 dramatically. Each saver needs more funds from the program to be successful, yet tax credit revenue has remained stagnant, prompting the Legislature to provide supplemental investments from the general fund in each of the past three budget cycles. An updated \$14M tax credit cap will allow the IDA program to enroll 1,750 new participants each biennium going forward – close to the program's established service level of 2,000 new savers per biennium. (If the Legislature takes *no* action on IDA funding this year, the program will shrink much further, to enroll only 1,000 people per biennium.)

By raising the IDA tax credit cap to at least \$14M through SB 120, the Legislature can return the IDA program to solid financial footing. I urge you to include IDAs in this bill.

Sincerely,

**Laura Dickerson
Homeownership Program Manager
PCRI, Portland, OR**

Re: Support for Individual Development Accounts in SB 120 -1

Dear Co-Chair, Nathanson, Co-Chair Meek, and Members of the Joint Committee on Tax Expenditures:

As a private citizen and IDA participant, I ask that you please raise the cap on the tax credit that funds Individual Development Accounts (IDAs) to at least \$14M through SB 120 -1.

The Legislature created Individual Development Accounts in 1999. 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' 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, spanning every House and Senate district in the state.

My chosen name is Emmett Lockett. I am a hardworking, dedicated, LPN, single parent to a 27 year old, caregiver to an elderly parent; Queer African-American. However, the previous descriptions only summarize who I am.

I grew up in the ghetto's of Watts and South Central Los Angeles, California. My mom was a hard-working elementary school teacher in our area who dedicated the majority of her adult life educating and caring for young minds. She has since retired, and I have the honor of caring for her now that she is unable to care for herself. I am also a single parent to a 27-year-old daughter who is continuing with her education and navigating her way through adulting.

In 2007, I completed my nursing program and have been working with veterans to enhance their quality of life within the VA Healthcare System. I have dedicated the majority of my life in service to veterans and never thought I'd be able to purchase a home of my own.

In 2015, I moved to Oregon for a better quality of life. After years of residing in Oregon, I learned of the Portland Community Reinvestment Initiatives Program that helped people like me obtain their dream of becoming homeowners.

I began my journey towards home buying in 2021, worked closely with the staff at PCRI to improve my credit, save money, educate myself on the essentials of the homeowners and home buying process. I could see that the high amount of rent could be used to pay towards my own mortgage and invest in myself.

Now, I'm so close. My daughter and mom have witnessed my journey and are now inspired to begin their own journey. Today, Our conversations are different. We have conversations concerning the creation of generational wealth, investing in our communities and things that really matter. Had I not had the fortune of crossing paths with the PCRI program, My future would be very different.

**With so much Gratitude and Appreciation,
Emmett Lockett**

****This is a participant of the IDA program and purchased in Winter 2024***

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Sent in by:
Laura Dickerson
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PCRI, Portland, OR

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The IDA program is great because I am a Business IDA participant. Having this opportunity to be able to save, and those funds to be matched, will help my business grow. I vouch for this to be a continuation for folks who may need support in completing their life goals.

By raising the IDA tax credit cap to at least \$14M through SB 120, the Legislature can return the IDA program to solid financial footing. I urge you to include IDAs in this bill.

Sincerely,

Staci White

**Homeownership Program Coordinator
PCRI, Portland, OR**