

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2551 - 3

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Date: March 23, 2021

Measure Description:

Establishes Individual Development Account Fund.

Government Unit(s) Affected:

Housing and Community Services Department (HCSD)

Summary of Fiscal Impact:

Costs related to the measure are anticipated to be minimal - See explanatory analysis.

Analysis:

HB 2551 with the - 3 amendment allows a donation to the Individual Development Account (IDA) program to be claimed until April 15 following December 31 of the tax year for which the credit is allowed. The measure also extends the tax credit through April 15, 2028. the Housing and Community Services Department (HCSD) is responsible for overseeing the IDA tax credit program, which has been administered by a contract administrator, Neighborhood Partnerships.

Although the fiscal impact of this measure is minimal, HCSD has a policy package related to the IDA program, which anticipated the tax credit expiring January 1, 2022. HCSD requested a General Fund appropriation to replace the tax credit funding and a position (1.0 FTE) to administer the program in Policy Package 109 Restructure Individual Development Account Program. Passage of this measure would mean that the General Fund appropriation would no longer be needed, but HCSD would still need position authority to manage the program.

Decisions regarding appropriate funding sources and amounts for the IDA program need to be coordinated and reconciled between policy committees and the Joint Committee on Ways and Means. Therefore, a subsequent referral to the Joint Committee on Ways and Means may be warranted.