

March 11, 2021

To: House Committee on Housing

In support of HB 2578 - Mortgage deduction reform

Dear Chair Fahey and members of the Housing Committee:

I write as an Oregon homeowner urging your support of HB 2578, which will bring a long overdue reform to the mortgage interest deduction and dedicate the resulting revenue to address the housing crisis in our state.

The mortgage interest deduction is a relic of our country's systemically racist and inequitable housing policy. It is one of the key structural reasons that the racial wealth disparity gets worse every year. Most of the benefit from this subsidy goes to higher end, mainly white, urban, housing-secure homeowners such as myself, as opposed to helping lower income Oregonians buy and maintain their first home.

This bill, which is a compromise based on many years of work by advocates, includes two common sense changes: phasing out the deduction for the richest 5% of Oregonians and — at a time when too many Oregonians do not have a roof over their heads — eliminating the deduction for owners of vacation homes. Notably, despite the concerns you may be hearing from some landlords, it still allows the deduction for long-term rentals.

Please support HB 2578 and bring Oregon to the forefront of equitable housing policy. It's time to fix this structural issue and give more Oregonians access to the American dream of homeownership. Those of us in the middle class who are already securely housed will be just fine. In fact, we will all be better off knowing that our neighbors and their children are able to thrive in safe and stable housing.

Thank you for your consideration, and for your service to Oregon.

Sincerely,

Ruth Adkins