

Senate Committee on Housing
Oregon State Legislature
Submitted Electronically

Dear Chair Fahey, Vice-Chair Campos and Members of the Committee:

I am writing asking you to support HB 3209 and housing counseling services in Oregon.

I have been a facilitator in the Oregon Foreclosure Avoidance Program since its beginning in 2013. One of the first things I noticed was how critical the housing counselors are to the program. Housing counselors help homeowners navigate complex systems, understand available options, create realistic expectations, explain unusual circumstances, and more. I have had many conversations with other OFA facilitators, and also with the attorneys representing banks, and there is universal consensus that everyone in the OFA process is better served when housing counselors are involved.

Funding cuts a few years ago caused drastic changes in the work that housing counselors could do. While I have been impressed at the level of service they have been able to provide within their funding limitations, I also see impacts on both homeowners and banks when they are not there. Sessions in which homeowners need to accept hard realities of non-retention options, or where homeowners have multiple income sources, or where there is evidence of bank error, all take longer and don't reach the level of clarity and confidence that is reached when a housing counselor is present.

In 2018 my family faced foreclosure and have participated in the OFA program twice, for both our first and second loans. My husband's income fell drastically, I went through cancer treatment, and we suddenly did not have enough income to cover our most basic expenses. My husband and I are also both lawyers, and have a better chance of being able to succeed in a program like OFA than an average family. However, even after facilitating dozens of cases, I found my housing counselor to be invaluable. Without my housing counselor, I would not have known I could apply for OHSI funding, and without OHSI funding, our debt-to-income ratio would have been too low to qualify for a modification. Thanks to DevNW and OHSI, we will be able to keep the house that our children have grown up in. The children did not have to change schools during the challenging years of middle school. We were able to maintain our residence in our community of 18 years, including the support networks we have built.

The work Oregon's housing counselors do creates benefits disproportionate to than their costs. I urge you to restore and increase funding so that these professionals can leverage their experience to support the health of our communities and local economies.

Sincerely,
Erin J Ruff