

Corrected version. Bill number is HB 2544.

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Co-Chairs Johnson, Steiner-Hayward and Rayfield, and Members of the Committee,

Thank you for the opportunity to speak today on the 2021-2023 Budget framework.

My name is Patti Whitney-Wise, retired ED of Partners for a Hunger-Free Oregon and a current member of the EMO Public Policy Advocacy Committee.

Last year's once-in-a-lifetime pandemic has wreaked much havoc in our state, especially to vulnerable families. With the use of the American Rescue Plan dollars, Oregon has an opportunity to lean into ongoing and new initiatives that will have a lasting impact on low-income families as well as the BIPOC communities.

I offer today three recent facts, three concerns, and three recommendations:

1. According to Federal Reserve Chair, Jerome Powell: It's important to remember we are not going back to the same economy. Many Americans who are out of work will struggle to find new jobs because some industries will likely be smaller than they were before the pandemic. In other cases, employers are seeking to use technology instead of workers.
2. In an article from Bloomberg: Low-income Americans bore the brunt of job losses when the pandemic arrived. Now they're getting hit hardest by price increases as the economy recovers, including the price of gas and food, items that low-income families spend proportionately more on than higher income families. (Higher housing costs add to the strain on their budgets).
3. The proposed \$80 million in cuts to ODHS will constrain their ability to help the overwhelming number of families who are struggling to emerge from the pandemic.

My concerns include these:

1. The gap in wealth between those at the top and those at the bottom has skyrocketed during this pandemic, laying bare the inequalities in our country.
2. The affordable housing crisis will take years to overcome and needs significant funding now. For instance, it is well known that youth who are homeless at some point are much more likely to end up homeless as adults, costing us more as a state if not addressed up front.
3. BIPOC communities who lost greater wealth during the 2008 recession have again taken bigger hits during this pandemic, creating even larger income gaps and greater barriers to financial well-being.

I respectfully recommend the following as a start:

1. Restore and increase services for families through ODHS. As an example, funding HB 2544 to expand housing opportunities for homeless youth will give those youth tools to succeed rather than having to rely on additional social services in the future. Money up front will translate into savings down the road. There are many such programs where initial investments save money down the line.
2. Use a significant amount of the American Rescue Plan funds for one-time investments, including expanded services to those hit hardest by the pandemic. That might include things like free community college tuition and job training programs, paying for additional rental debt and other programs that contribute to stability and opportunity for the future.
3. Finally, and most importantly, make sure that the BIPOC communities have dedicated resources to help regain what they have lost and make progress in closing the wealth gap that was created through generations of discrimination.

In this time of dire need, we as a state must step forward, providing hope and a hand up now so that families can thrive and move forward in the future. Thank you for your service in helping to make Oregon a place of opportunity for all.