



April 29, 2021

House Committee on Human Services

Oregon State Capitol
900 Court Street
Salem, Oregon 9730

Dear Chair Nathanson, Vice-Chair Reschke, Vice-Chair Pham and Members of the Committee,

My name is Ernesto Fonseca, Chief Executive Officer of Hacienda CDC. I write to you today, to ask for your help and support for HB 2551A to ensure Oregon invests in the vitality of our communities, by supporting the Oregon Individual Development Account (IDA) Initiative's request for funding to support Oregonians in achieving the dream of homeownership, higher education, starting a business, and other goals.

Hacienda CDC is a Latino Development Corporation that strengthens families by providing affordable housing, homeownership support, economic advancement and educational opportunities. The IDA program has been one of the most effective ways for Hacienda CDC to help our community reach their goals and build important assets and entrepreneurship.

Hacienda CDC has been providing IDA's for first-time homebuyers and small business owners for over eight years. In 2020, 74 of Hacienda's homeownership clients saved funds with the IDA program to purchase their first home. Five small business owners were able to improve and invest in their business through the IDA funds. In 2021 thus far, we have eight homeownership client applications for the IDA Program and 13 small business owners currently pending and wrapping up in the next year or two. Hacienda's IDA Program participants are required to take financial education and a class specific to their goal, which sets them up with knowledge they can apply to other aspects of their lives and is one of the tools that allows us to magnify our organizational impact in very significant ways.

IDAs offer matched savings which can support families and communities facing the financial impacts of COVID. IDAs can both help people keep from falling behind, and position people to stabilize and move forward as recovery begins. IDAs are one of the few existing tools we have to help meet urgent needs and support an equitable recovery from COVID-19 impacts and for many who were affected by wildfires. IDAs are already in place and ready to make a difference in our community.

I ask that you support HB 2551A in renewing the IDA Initiative Tax Credit for the next six years, which will continue to build better futures for the people in our community who need it most.

The IDA Initiative would not be able to accept new savers without your action in 2021. Your support would allow individuals and families from every corner of the state to begin saving for a better future and would help those who are hardest hit by the financial hardships that the spread of COVID has created.

Thank you for your service, and for your attention to this critical request.

Sincerely,

A handwritten signature in purple ink, appearing to read "Ernesto Fonseca".

Ernesto Fonseca, PhD

Chief Executive Officer
Hacienda CDC