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To: Senate Committee on Labor and Business
From: Sybil Hebb, Oregon Law Center
Date: February 10th, 2022
Re: SB 1579

Chair Taylor, Vice-Chair Knopp, and members of the committee:

On behalf of the Oregon Law Center, I submit this written testimony in strong support of SB 1579, the Equity Investment Act. The bill will create an Economic Equity Investment Program to make grants to organizations providing culturally responsive services to support economic stability, self-sufficiency, wealth building and economic equity among disadvantaged individuals, families, businesses, and communities across the state. The bill would also establish the Economic Equity Investment Fund and proposes to capitalize the fund at \$50 million to support the Program's initial grants.

The Oregon Law Center (OLC) is a state-wide non-profit law firm whose mission is to achieve justice for low-income communities of Oregon by providing a full range of the highest quality civil legal services. Many of the crises impacting our clients are caused or exacerbated by poverty. Substandard housing, high rent burdens, homelessness, inadequate nutrition and food insecurity, inadequate child care, lack of access to health care, unsafe neighborhoods, and underresourced schools are all challenges facing our friends and neighbors with low incomes.

While the economy has been booming recently for some, many others in our state continue to struggle, and wealth disparities are growing.¹ January, 2022 U.S. Census PULSE survey data reflects that more than 95,000 Oregon households lack confidence in their ability to pay next month's rent.² In 2021, more than one out of four Oregon households lacked enough income to meet their basic needs.³

Inadequate income in Oregon is concentrated disproportionately among Black, Indigenous, and other communities of color.⁴ Black-headed households have the highest income inadequacy rate of all racial/ethnic groups in Oregon, at approximately 48%. This is followed closely by Latinx householders (41%), All Other Races (31%), American Indians (30%), and whites (24%). These significant disparities are due to long-standing and systemic injustices such as red-lining, exclusionary zoning, disparate access to credit, over-policing, employment discrimination, and more. These injustices have prevented people of color from earning, saving, accessing credit,

¹ <https://www.ocpp.org/2021/08/12/income-inequality-oregon/#:~:text=Oregon's%20top%201%20percent%20has,income%20over%20that%20same%20period>

² <https://www.census.gov/data/tables/2021/demo/hhp/hhp41.html>

³ <https://www.oregon.gov/workforceboard/data-and-reports/Documents/Overlooked-Undercounted-2021.pdf>

⁴ Ibid.

providing for families, and accessing homeownership to build wealth and stability. Long-standing systemic inequities have only been exacerbated by the COVID pandemic.⁵

As a matter of justice, and in order for Oregon and Oregonians to thrive, inequities based on race must be acknowledged and addressed. The passage and funding of SB 1579 will be an active and concrete step forward, supporting trusted culturally specific and culturally responsive organizations in their work for and with impacted communities. The grants made available by the Equity Investment Act will support microenterprise, workforce development, and paths to homeownership, helping individuals and families build generational wealth and stability.

Passage and funding of SB 1579 will lay a foundation for continued investment in historically underserved communities. We urge your strong support.

Thank you for your work and for your commitment to Oregonians.

⁵ <https://www.oregonlive.com/business/2021/03/one-year-in-coronavirus-pandemic-has-upended-life-for-oregons-workers-and-exposed-stark-disparities.html>