



Linn-Benton Housing Authority

February 28, 2023

Joint Subcommittee on Transportation and Economic Development
Oregon State Legislature
900 Court St. NE
Salem OR 97301

RE: Senate Bill 5511

To whom it may concern:

As an IDA Specialist and Family Self-Sufficiency Program Coordinator for the Linn-Benton Housing Authority I am writing to express my support for Individual Development Accounts (IDA's) in Oregon. I believe that everyone needs the opportunity to build a better future and for low-income families the IDA Program is one way to open the doors to that future.

The participants in IDA's that I have worked with have all been, at one time, on Section 8 rental assistance and other forms of public assistance in Linn and Benton Counties. Our agency offers IDA's to our Section 8 households that are working with our Family Self-Sufficiency Program, and we offer savings for Education, Reliable Transportation, Individual Retirement Accounts (IRA), Employment Related Expenses/Adaptive Technology, and Homeownership down payment.

We currently have 32 families saving in our IDA Program for asset goals, with the majority saving for homeownership. With current housing prices, now more than ever, more money is needed to be able to afford a mortgage and the IDA Program can help with that. The IDA program makes it more realistic for families and offers hope and an incentive to save. Even in a high market, our families are still hoping and dreaming that homeownership can come true for them.

Over the last six years, we have had 21 families use IDA's to help purchase homes in Oregon. For some of these families, IDA savings and match were the only funds they had at closing when purchasing their home; for others, the IDA Program helped ignite a fire in them to save more and they purchased with a much larger down payment. In the last two years, with housing prices up significantly, we have been able to allow some IDA savers who couldn't find a home in their price range to put their funds into the Oregon First Time Homebuyers Savings Account (FTHBS) to give them more time. *We currently have 13 families who have opened FTHBS Accounts and continue to actively save and work towards their Homeownership goals.*

Improving the Quality of Life in Linn and Benton Counties through Affordable Housing

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Since 2017, ten of our families have utilized the Education IDA to avoid going further into debt with student loans. Student loan debt has become a big barrier to achieving financial freedom as well as homeownership. By achieving education goals, clients tend to move off of public assistance quicker due to increased earnings when they finish their program or degree. *One of our IDA education savers completed her Master's degree using IDA funds and has since become a homeowner which may not have been possible with a larger student loan debt.*

Since 2018, eight IDA savers have used IDA's to purchase reliable transportation which has opened opportunities for work and school for people who may need to commute from more rural areas. *Eric, a single dad, started saving in an IDA in 2019. He was limited to where he could look for work due to not having a vehicle. In 2019 he was making minimum wage and then was laid off and out of work for almost two years. After purchasing reliable transportation in late 2021 using IDA funds, he found a good job making over \$22 an hour and has been there for over a year now. Eric is now saving in a new IDA for a Retirement Account (IRA) as he prepares for his future!*

As a more recent asset goal, we have had three individuals complete their IDA savings and open Individual Retirement Accounts (IRA's). Two of these savers, as single earner households, decided that homeownership may not work for them with the high housing prices so building their retirement seemed like a good asset goal. One saver just needed to jump start their retirement as they had gotten started in the workforce a little later in life.

Funding for IDA's shouldn't be a question when you look at the successes of families across Oregon who are increasing assets, changing the future for their children, and giving back to their communities. Please support Senate Bill 5511

Sincerely,



Wendy Younger
VIDA Specialist
FSS Coordinator
Linn-Benton Housing Authority