



# ROSE

community development

April 11<sup>th</sup>, 2023

Chair Meek, Vice-Chair Boquist, and Members of the Committee,

On behalf of ROSE Community Development, we urge you to support SB 976 and rein in wasteful aspects of our tax code and to make meaningful investments in our ongoing housing crisis.

ROSE develops and operates affordable housing in outer Southeast Portland. We have seen first hand how investment in affordable housing has not kept pace with the growing need for it, resulting in our state's current housing crisis.

There simply are not enough safe, stable, and affordable homes for every Oregonian to call home in our state. Meanwhile, the Mortgage Interest Deduction (MID) dedicates roughly one billion dollars every budget period and is—by far—the biggest expenditure on housing by the state, yet this subsidy is wasted on subsidizing housing for those who do not need help: that is, the state's most well-off homeowners. Despite being the largest housing subsidy in Oregon, the MID fails to directly benefit any renter in Oregon, whose housing costs weigh more heavily compared to homeowners. This results in major inequities for who benefits most from Oregon's single largest housing subsidy.

SB 976 seeks to reform Oregon's mortgage interest deduction to prevent waste and dedicate funding to those families that are in the greatest need of support in achieving homeownership or avoiding homelessness.

This modest reform, which would preserve the MID for most families on their primary residence, would free up for funding for organizations like ours to build more affordable housing and homeownership opportunities. In a time of crisis like now, Oregonians will benefit more from this than continuing to subsidize second and vacation homes.

We urge your support for SB 976. Thank you for your time and for your service to the state.

Sincerely,

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