



April 11, 2023

To: Senate Committee on Finance and Revenue

**RE: Support for SB 976**

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

My name is Sarah Radcliffe and I am writing on behalf of Habitat for Humanity Portland Region to urge your strong support for SB 976.

Despite vast racial disparities in homeownership and the housing market's increasingly prohibitive price tag, Oregon currently subsidizes homeownership (including vacation homes) for families that don't need the help, while providing minimal and inconsistent funds to share the opportunity and stability of homeownership with families who are struggling. Because homeownership is so deeply tied to wealth, health, and educational outcomes, this skewed component of our tax code entrenches disparities with a profound generational impact.

An audit of the program by the Oregon Secretary of State last year reported that **the mortgage interest deduction "is designed in a way that systematically benefits higher income"** homeowners, and that "roughly 18,000 taxpayers with incomes in the top 1% . . . received more benefit from the MID than the 727,000 taxpayers in the bottom 40% combined."

Majority white homeowners have reaped a windfall in equity growth over the past few decades, while BIPOC households and younger families have scrambled to keep up with rising rents and have been almost entirely closed out of homeownership. Black Portlanders own homes at half the rate of white Portlanders, and this gap is worsening. BIPOC homeownership has suffered from redlining and urban renewal, and more recently, predatory lending, displacement and gentrification, and the inequitable economic fallout of the pandemic. Compounding those factors, rising interest rates and inflation means that [half as many Black Americans](#) can afford home ownership today as could in 2021.

Our Habitat affiliate receives 800-1000 applications for every 20-40 homes we build. Over 80% of our homebuyers are families of color. Many Oregon families are ready for homeownership but need a public subsidy to bridge the gap between exorbitant home costs and the price that's affordable to low- and moderate-income earners.

The mortgage interest deduction is a relic that calcifies the inequities of our state's racist housing history. With the reforms proposed in SB 976, we can free up these funds to stabilize families on the brink of homelessness and to create equity and opportunity through affordable homeownership.

Thank you for your consideration and service,

A handwritten signature in black ink, appearing to read 'S. Radcliffe', with a long horizontal flourish extending to the right.

Sarah Radcliffe  
Director of Government Relations  
Habitat for Humanity Portland Region