

Senate Bill 465

Sponsored by Senator WEBER, Representative RUIZ; Senators PATTERSON, SOLLMAN, Representatives LEVY B, OSBORNE, WRIGHT (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act removes the annual cap on matching funds for IDA holders and creates a cap on total matching funds. (Flesch Readability Score: 71.2).

Removes the annual cap on matching funds that an individual development account holder may accrue. Establishes a cap on total matching funds that the account holder may accrue. Provides for the modification of the cap to account for effects of inflation.

A BILL FOR AN ACT

1
2 Relating to individual development accounts; amending ORS 458.690.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 458.690 is amended to read:

5 458.690. (1) A fiduciary organization selected under ORS 458.695 may qualify as the recipient
6 of account contributions that qualify the contributor for a tax credit under ORS 315.271 only if the
7 fiduciary organization matches amounts deposited by the account holder according to a formula es-
8 tablished by the fiduciary organization of not less than \$1 nor more than \$5 for each \$1 deposited
9 by the account holder. The matching funds must be deposited into a designated account that is
10 controlled by the fiduciary organization and is separate from the savings account of the account
11 holder.

12 (2) *[Account holders may not accrue more than \$6,000 of matching funds under subsection (1) of*
13 *this section from state-directed moneys in any 12-month period. A fiduciary organization may designate*
14 *a lower amount as a limit on annual matching funds.]* A fiduciary organization shall maintain on
15 deposit sufficient funds to cover the matching deposit agreements for all individual development
16 accounts managed by the organization.

17 *[(3) The Housing and Community Services Department shall adopt rules to establish a maximum*
18 *total amount of state-directed moneys that may be deposited as matching funds into an individual de-*
19 *velopment account.]*

20 **(3)(a) The maximum total amount of state-directed moneys that may be deposited as**
21 **matching funds into an individual development account is \$20,000, as adjusted under para-**
22 **graph (b) of this subsection.**

23 **(b) To account for effects of inflation, the Housing and Community Services Department**
24 **shall, by rule, annually adjust the dollar amount specified in paragraph (a) of this subsection**
25 **based on the Consumer Price Index for All Urban Consumers, West Region (All Items), as**
26 **published by the Bureau of Labor Statistics of the United States Department of Labor.**

27 (4) The Housing and Community Services Department shall provide information to the Depart-
28 ment of Revenue about all individual development account contributors that are qualified for a tax

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 credit under ORS 315.271, if required by ORS 315.058.

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