



We build
**strength, stability,
self-reliance
and shelter.**

2/19/2025

Re: Support For HB 2735 -1

Dear Chair Marsh, Vice-Chairs Anderson and Breese-Iverson, and Members of the Committee:

McMinnville Area Habitat for Humanity urges your support of HB 2735, with the -1 amendment to “fix the funding” for IDAs!

Our Habitat affiliate has worked with several savers through the IDA program – including Kai and Celeste, both future homeowners who are currently working to build a new life for their families. In 1999 the Legislature created Individual Development Accounts (IDAs). This matched-savings program provides participants with education and individualized support to reach their financial goals, including homeownership, home repair, higher education, purchasing a vehicle, starting a business, and retirement. The state matches participants’ own savings up to 5-to-1 to make their dreams a reality. Over 19,000 Oregonians have participated in this life-changing program over the past 25 years.

However, the state tax credit that funds IDAs has not kept pace with inflation. While the credit has been capped at \$7.5M per year since 2009, the cost of everything that IDA participants save for has increased precipitously. Each saver needs more funds from the program in order to be successful, yet the total funding has remained stagnant. If the Legislature does not act this year, the program will shrink by 50% and will only enroll fewer than 500 people each year going forward.

Along with communities across our state, our own Yamhill County is facing a significant shortage of affordable housing, leaving low and even middle-income families who dream of owning their own home out of options. Between 2012 and 2022, McMinnville’s median household income rose by 51%, while the median home sales price increased by a



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whopping 213%. This leaves families like Kai's and Celeste's effectively "priced out." We are so glad to partner with them to build their future homes - and the IDA matched savings program helps them make it the rest of the way. Funding IDA is a true "hand up," and needed more than ever.

By passing HB 2735 -1, the Legislature can "Fix the Funding" and return the IDA program to solid financial footing. The impact for families like Kai's and Celeste's, who depend on this hand up is immeasurable. I urge you to pass this bill.

Thank you for your consideration and service,

Sarah Munk, McMinnville Area Habitat for Humanity