

Submitter: Olivia Hnilicka

On Behalf Of:

Committee: House Committee On Housing and Homelessness

Measure, Appointment or Topic: HB2735

Re: Support For HB 2735 -1

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

I am writing on behalf of myself and my community to urge you to support HB 2735, with the -1 amendment. Please "Fix the Funding" for IDAs!

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.

I'm an IDA participant through the Portland Housing Center. I bought my condo 6 months ago after 20+ years of renting. I'm 5 years sober in recovery, a former sex worker, and I'm a queer trans woman living in Portland. I never thought this dream would be possible for me. While the impact of homeownership was truly profound, what I didn't expect was the positive impact the education and coaching that the IDA program offered. I didn't go to college and never gained financial literacy until this program. My credit score has never been higher, and I'm confident now in my ability to save and plan for my future. Meeting with my PHC coach Bernice every three months provided a space to learn and make mistakes. I felt supported and prepared for such a big step into adulthood.

By passing HB 2735 -1, the Legislature can "Fix the Funding" and return the IDA program to solid financial footing. The need for IDA funding was identified 15 years ago, and that need has only grown since then. As costs have risen, the state's contribution to IDAs hasn't changed. I urge you to pass this bill and support a \$20M investment in the IDA program in 2025. This funding will change the lives of many more people in your district, just as it has done for me.

Sincerely,

Olivia Hnilicka